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HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

STANDING COMMITTEE
ON
VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 1-10

FEBRUARY 25, 1960
MARCH 10, 1960

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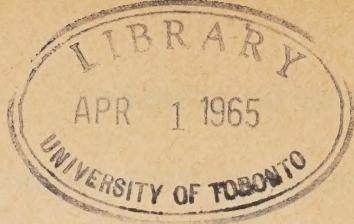
**ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961**

WITNESSES:

The Honourable Alfred J. Brooks, Minister of Veterans Affairs; Mr. L. Lalonde, Deputy Minister; Dr. J. N. B. Crawford, Director General of Treatment Services; Messrs. F. J. G. Garneau, Chairman, War Veterans Allowance Board; C. N. Knight, Veterans Welfare Services; Mrs. Margaret Wainford, President, Non-pensioned Veterans Widows Association Inc.; Mrs. H. Hickey; Dr. D. C. Sutherland, Executive Secretary, The Canadian Chiropractic Association; Dr. A. E. Homewood, President and Dean, Canadian Memorial Chiropractic College.

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STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

ORDERS OF REFERENCE

HOUSE OF COMMONS,
TUESDAY, February 16, 1960.

Resolved,—That the following Members do compose the Standing Committee on Veterans Affairs:

Messrs.

Badanai,	Herridge,	Peters,
Batten,	Jung,	Pugh,
Beech,	Kennedy,	Roberge,
Benidickson,	Lennard,	Robinson,
Broome,	Macdonald (Kings),	Rogers,
Cardin,	MacEwan,	Speakman,
Carter,	MacRae,	Stearns,
Clancy,	Matthews,	Stewart,
Denis,	McIntosh,	Thomas,
Dinsdale,	McWilliam,	Webster,
Fane,	Montgomery,	Weichel,
Forgie,	O'Leary,	Winkler—40.
Fortin,	Ormiston,	
Garland,	Parizeau,	

(Quorum 15)

Ordered,—That the said Committee be empowered to examine and inquire into all such matters and things as may be referred to it by the House, and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

THURSDAY, February 25, 1960.

Ordered,—That the Standing Committee on Veterans Affairs be empowered to print such papers and evidence as may be ordered by it, and that Standing Order 66 be suspended in relation thereto.

TUESDAY, March 1, 1960.

Ordered,—That items numbered 457 to 482 inclusive, and 495 to 497 inclusive, as listed in the Main Estimates 1960-61, relating to the Department of Veterans Affairs, be withdrawn from the Committee of Supply and referred to the Standing Committee on Veterans Affairs, saving always the powers of the Committee of Supply in relation to the voting of public moneys.

Attest.

LÉON-J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

The Standing Committee on Veterans Affairs has the honour to present the following as its

FIRST REPORT

Your Committee recommends that it be empowered to print such papers and evidence as may be ordered by the Committee, and the Standing Order 66 be suspended in relation thereto.

Respectfully submitted,

G. W. MONTGOMERY,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, February 25, 1960.

(1)

The Standing Committee on Veterans Affairs met at 11.45 a.m. this day for the purpose of organization.

Members present: Messrs. Batten, Benidickson, Carter, Clancy, Dinsdale, Fane, Herridge, Lennard, Macdonald (*Kings*), MacEwan MacRae, Matthews, McIntosh, Montgomery, O'Leary, Ormiston, Parizeau, Roberge, Robinson, Stearns, Stewart, Thomas, Webster and Winkler.—(24)

Moved by Mr. Lennard, seconded by Mr. Stearns, that Mr. Montgomery be Chairman of this Committee.

Moved by Mr. McIntosh, seconded by Mr. Ormiston, that Mr. Dinsdale be Chairman of this Committee.

Mr. Dinsdale having declined the nomination, Mr. Montgomery was elected by acclamation to the post.

On the motion of Mr. O'Leary, seconded by Mr. Winkler, Mr. Pugh was elected Vice-Chairman.

The Committee's Orders of Reference were read.

On the motion of Mr. Ormiston, seconded by Mr. Macdonald (*Kings*),

Resolved,—That permission be sought to print, from day to day, such papers and evidence as may be ordered by the Committee.

On the motion of Mr. Robinson, seconded by Mr. McIntosh,

Resolved,—That a Sub-committee on Agenda and Procedure, comprising the Chairman and 6 Members to be named by him, be appointed.

On the motion of Mr. Herridge, seconded by Mr. Batten,

Resolved,—That the Chairman and Members of the Steering Committee determine what organizations should appear before the Committee and in what order they should be heard.

At 12.05 p.m. the Committee adjourned to the call of the Chair.

THURSDAY, March 10, 1960.

(2)

The Standing Committee on Veterans Affairs met at 10.00 a.m. this day. The Chairman, Mr. Montgomery, presided.

Members present: Messrs. Badanai, Batten, Beech, Benidickson, Carter, Denis, Dinsdale, Fane, Forgie, Herridge, Jung, Kennedy, Lennard, Macdonald (*Kings*), MacEwan, MacRae, Matthews, McIntosh, McWilliam, Montgomery, O'Leary, Ormiston, Peters, Robinson, Rogers, Speakman, Stearns, Thomas, Webster, Weichel and Winkler.—(31)

In attendance: The Honourable Alfred J. Brooks, Minister of Veterans Affairs; Mr. L. Lalonde, Deputy Minister; Mr. F. T. Mace, Assistant Deputy Minister; Dr. J. N. B. Crawford, Director General, Treatment Services; Messrs. G. H. Parliament, Director General, Veterans Welfare Services; R. W. Pawley,

Director, Veterans Land Act; T. T. Taylor, Director, Legal Services; J. E. Walsh, Director, Finance, Purchasing and Stores; J. G. Bowland Research Advisor; C. N. Knight, Veterans Welfare Services; C. F. Black, Departmental Secretary; T. D. Anderson, Chairman, Canadian Pension Commission; and F. J. G. Garneau, Chairman, War Veterans Allowance Board. *From the Non-pensioned Veterans Windows' Association:* Mrs. Margaret Wainford, President; Mrs. A. Douglas, Secretary; Mrs. M. Hampsen, Mrs. H. Hickey, Mrs. V. Hill, Mrs. M. Wheaton, Mrs. E. Cooper, Mrs. E. Jacobs, Mrs. E. Mortimer. *From The Canadian Chiropractic Association:* Dr. Donald C. Sutherland, D.C., Executive Secretary. *From the Canadian Memorial Chiropractic College:* Dr. A. E. Homewood, D.C., F.I.C.C., President and Dean.

The Chairman observed the presence of quorum and read the Committee's Orders of Reference.

On the motion of Mr. Jung, seconded by Mr. Herridge,

Resolved,—That, pursuant to its Order of Reference of February 25, 1960, the Committee print 750 copies in English and 200 copies in French of its *Minutes of Proceedings and Evidence* relating to the Estimates of the Department of Veterans Affairs.

The Chairman announced the composition of the Sub-Committee on Agenda and Procedure as follows: Messrs. Cardin, Forgie, Herridge, Kennedy, Lennard and McIntosh.

The Honourable Alfred J. Brooks was introduced and briefly outlined the progress made by his Department during the past year.

The Deputy Minister of Veterans Affairs, Mr. L. Lalonde, was introduced and in turn introduced officers of the Department.

Item 457—Departmental Administration—was called, and Mrs. Wainford was introduced to the Committee.

Mrs. Wainford presented members of her association and read a series of resolutions, copies of which were distributed to Members of the Committee.

On behalf of the Committee Mrs. Wainford was thanked by the Chairman.

Dr. Sutherland of The Canadian Chiropractic Association and Dr. Homewood of the Canadian Memorial Chiropractic College were called, and copies of the following documents were distributed to Members of the Committee:

1. Canadian Memorial Chiropractic College Calendar, 1959-60;
2. Booklet entitled "A Career in Chiropractic" Teaching Manual.

Dr. Sutherland read a brief from the Canadian Chiropractic Association and, together with Dr. Homewood, was questioned by Members of the Committee.

Agreed,—That the brief of the Canadian Chiropractic Association be considered before the Committee makes its final report to the House.

At 12.34 p.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

OTTAWA, Ontario, March 10, 1960.

The CHAIRMAN: Gentlemen, let us come to order. We have a quorum. I am very glad to see so many members attending. However this committee has always had a very good record of attendance.

This is my first experience and I know from the sittings of the committee in the past under the able chairmanship of Mr. Dinsdale that it is a very co-operative committee. So I think maybe we shall get along all right. And I hope that our attendance keeps up.

I would like to read the order of reference at the opening. It says:

That the said committee be empowered to examine and inquire into all such matters and things as may be referred to it by the house; and to report from time to time its observations and opinions thereon, with power to send for persons, papers and records.

There is one motion I would like to have before we start. We must establish the number of copies of the minutes to be published each day. The clerk has handed me a motion and I shall read it, and if some one will see fit to move it and to second it, then if it is agreeable we will approve it.

It reads as follows:

Pursuant to its order of reference of February 25, 1960, the committee will print 750 copies in English and 200 copies in French of its minutes of proceedings and evidence relating to the estimates of the department of veterans affairs.

Mr. JUNG: I so move, Mr. Chairman.

Mr. HERRIDGE: I second the motion.

The CHAIRMAN: You have all heard the motion? Is there any discussion? All those in favour? Those against? I declare the motion carried.

Motion agreed to.

Now I would like to make an announcement. You left it with me at the last meeting to announce the sub-committee on agenda and procedure. We have selected three of the senior members, that is, members who took part in the first world war, and three of the members who took part in the second world war.

Mr. HERRIDGE: You do not mean senile.

The CHAIRMAN: Messrs. Cardin, Forgie, Herridge, Kennedy, Lennard and McIntosh.

Incidentally I would like to meet with these members and with Mr. Dinsdale if it is convenient at the end of this meeting today for just about five minutes.

It is our pleasure to have with us this morning the minister, gentlemen, and also the deputy minister and the officials. We also have two delegations that we wish to hear from today.

I would like to say that we welcome the ladies of the non-pensioned veterans widows' association, incorporated, and we shall be pleased to hear from them in a few minutes.

We are glad that you are able to be here and we shall listen very attentively to your delegation. I presume each member has a copy of your statement.

We have with us today Doctor Sutherland, from Toronto, and Doctor Homewood, representing the Canadian Chiropractic Association of Canada. That will be the second delegation we shall hear, and at the time we start to hear them, copies of their statement will be distributed to you.

Now without any further observations we have the minister with us. I do not think he needs any introduction. Colonel Brooks is well known as far as veterans affairs and veterans affairs committees are concerned and I am sure you will all agree with me that we should like to have a few words from the minister. So without further ado I now call on Mr. Brooks.

Hon. A. J. BROOKS (*Minister of Veterans Affairs*): Mr. Chairman, ladies and members of the committee; it is a pleasure for me to be here this morning at this opening session of our committee for this year. I wish to welcome all members back again.

I was very pleased to see that the membership this year is practically the same, if not exactly the same, as it was last year and the year before.

May I at the outset congratulate you sir on being appointed chairman of this very important committee. I also wish to congratulate Mr. Pugh who is our deputy chairman.

As you stated a moment ago the committee has been very successful under the chairmanship of Mr. Dinsdale in the past two years, and I am very happy that Mr. Dinsdale was again selected as parliamentary secretary for the department of Veterans Affairs.

The chairman has mentioned the fact that good attendance is necessary. It is sometimes quite difficult to attend committees, especially if the house is in session. Mr. Herridge of course will understand that, because we have already had a lot of criticism over holding committee meetings while the house was in session.

I hope that it will not be necessary to hold many meetings while the house is in session and we do hope there will always be very good attendance.

I also wish to express at this time my appreciation for the work which has been done by this committee in the past two years. You were the first standing committee on veterans affairs that had been set up, by parliament, and as I stated previously the intention was to review all the acts of the veterans charter.

You have had before you five or six of those acts already. You had two insurance acts, you had the Children of War Dead (Education Assistance) Act; you have had the War Service Grants Act, and you have had the Veterans Land Act.

From the records of our department we find that the recent amendments to these acts have been of great benefit as to our veterans, and we are very pleased indeed to have them brought up to date. We hope that all the acts in the veterans charter will receive your attention in due time.

Perhaps I might just give a slight review of the work we have done in the department during the recess. It has been the object of myself along with some officials of my department during vacations to visit as many of our organizations, offices and hospitals across Canada as possible.

In 1958 we took a trip to western Canada and visited all our hospitals in western Canada as well as the departments' offices.

It might be of interest to you to know that the Department of Veterans Affairs has about 13,000 persons on its staff. About 1200 of them are here in Ottawa and vicinity, and the others serve all across Canada.

It is quite an experience when you come into a city like Calgary, Vancouver, Toronto, or some of our other cities, to see all our staff, and most important of all, to visit our institutions, particularly our very large hospitals.

In 1958 as I stated we visited western Canada, and in 1959 we visited our hospitals and staffs in eastern Canada, Toronto, London, Montreal, Quebec city, Saint John, Halifax and Charlottetown. Unfortunately I did not get across to Newfoundland. We have not as yet established a hospital of our own there, but it is our intention to build soon, and have our plans about ready.

We have pretty well worked out with the officials and with the government in Newfoundland the steps that are to be taken to set up a hospital there.

That then, Mr. Chairman, is so much for the work that was done during the recess.

The most important work of our department today is that of medical treatment. I might say that I was very pleased indeed, as I visited our hospitals, with the attention our veterans are receiving. Our hospitals are well staffed. And the work done is becoming more and more the most important the Department of Veterans Affairs has to do.

Many of our men who had been in hospitals for many years are now over 70 years of age and are not able to look after themselves they now require more nursing attention and more attention from the different staffs. We also find that the number of those who require hospitalization is rapidly increasing. So this is very important work.

I wish to say that I am very pleased indeed with the work that Dr. Crawford who is the head of our treatment organization and his different staffs are doing in these institutions.

The work which you will have before you this year is not as extensive as we had rather hoped it would be. Your chief task this year will be to review the estimates of the department. This in itself if thoroughly done—and I am sure it is your intention to do it in a thorough manner—will take considerable time.

We also will have one bill before us, a bill to amend the War Veterans Allowance Act; I am not going to tell you what amendments we propose at the present time. You will know that in due course. They are not particularly extensive.

There will be many opportunities during the review of the estimates to discuss different phases of veterans legislation. The Pension Act can be discussed. The War Veterans Allowance, and Children of the War Dead Acts all these can be discussed while the estimates are before the committee.

I have no doubt we will also have delegations from different veterans organizations, and I might say here that we welcome these delegations as we have in the past; and we will welcome their suggestions.

We do not promise to carry out all the suggestions and recommendations that are made at different times, but we do welcome them. Any recommendations that are made, I can assure you, will be given very careful study.

We have a very interesting delegation before us this morning, and I add my welcome to that of the chairman to this delegation of non pensioned veterans widows. I know them well. They are old friends of mine. I have seen them off and on on a good many occasions, and I want to say that they always present a very interesting brief, and present it in a very interesting manner. We have been very happy in the past in that we have been able to carry out—I am speaking now of veterans committees—most of the major representations which have been made to the committees, by this organization.

Of course, they are like every other group of people in Canada, whether it is the western grain growers, the fishermen from the eastern coast, or the

miners up in the north, they all want more, and it is up to us to study these recommendations and give them whatever considerations we can.

We do not blame them at all for asking for more. But it is your task and my task to see that the balance is kept even, and that we do what is possible.

Now, Mr. Chairman, I do not think I should take up any more of your time this morning. I just wish you the very best success in this committee. It is my intention to attend as many of the sessions as possible. Unfortunately the time for the committee has been set at the same time as the meeting of the cabinet on Thursday mornings. I am sorry for this. Possibly we may be able to make other arrangements, I do not know, there are so many committees which have to meet at different times; I hope Mr. Chairman, some change can be made, because I do wish to be at as many of these meetings as possible and to take whatever part I may be able in your deliberations, and to give whatever assistance I can. Thank you, ladies and gentlemen.

The CHAIRMAN: Thank you, Mr. Minister. We shall try to remember your suggestions, and I am sure that this committee will give your references every consideration.

I would like at this time to introduce to you—I do not know if he needs it—our good old friend the deputy minister, Colonel Lalonde, and to ask him to introduce his officials. If he has anything he wishes to distribute at this time, he may do so.

Mr. L. LALONDE (*Deputy Minister, Department of Veterans Affairs*): Mr. Chairman, and gentlemen: may I briefly say on behalf of the officials of the department that we consider it a privilege to appear again before this committee and to discuss and review the work of our department.

While this may sound surprising to some people, I can assure you that we really enjoy these sessions, and we appreciate the value of the close scrutiny which you exercise over our operations. We realize very fully the necessity of keeping our organization on its toes and of never allowing the spirit of routine to invade our administration.

We know that this aspect of the work of this committee is very important, and we welcome the opportunity to place our problems before you.

We would again do our best to provide the committee with the information which it requires, and we hope that our answers will always prove helpful to you.

With your permission I would like to introduce to you the various officials who will be available from time to time to discuss matters which come directly under their administrative responsibility.

First of all we have Mr. T. D. Anderson, chairman of the Canadian Pension Commission, and Mr. F. J. G. Garneau, O.B.E., E.D., chairman of the War Veterans Allowance Board. Then we have Mr. F. T. Mace, C.D., C.A., assistant deputy minister; Dr. J. N. B. Crawford, M.B.E., E.D., M.D., director general of treatment services; Mr. T. T. Taylor, director of legal services; Mr. R. W. Pawley, the new director of the Veterans Land Act; Mr. C. F. Black, C.D., B.A., secretary of the Department of Veterans Affairs; and Mr. J. E. Walsh, C.A., director of finance, purchasing and stores, a very important man when we are discussing estimates.

We also have Mr. J. G. Bowland, our chief statistician; Mr. G. H. Parliament, director general of veterans welfare services; Mr. C. N. Knight, B.A., Dip. Soc. Sc., in charge of our social work; Mr. P. E. Reynolds, E.D., B.A., LL.B., chief pensions advocate—and you will notice that he is sitting a long way from Mr. Anderson; and Mr. Gordon Way, our chief of information.

The CHAIRMAN: Thank you very much, Colonel Lalonde. Now I shall call the items that have been referred to this committee by the House of Commons. They are votes 457 to 482 inclusive and votes 495 to 497 inclusive.

The first item is that of general administration—item 457. The sub-committee on procedure decided that having placed the estimates before the committee, the next item of business would be to hear two delegations today. The first one is the delegation from the Canadian non-pensioned veterans widows association incorporated, of which the president is Mrs. M. Wainford. So if Mrs. Wainford will please come up to the table, she may read her petition and make any comments she wishes.

If you like, Mrs. Wainford, you might introduce the members of your delegation.

Mrs. MARGARET WAINFORD (*President, Non-Pensioned Veterans Widows Association*): Yes, but I would prefer to do that after I have made my remarks.

Mr. Chairman, Colonel Brooks has been a wonderful member of our association for the last 22 years. I wish to thank him, the members of the various departments of the government and members of parliament. However, I must say that I feel like a stranger in a strange land today because I notice that with the exception of Mr. Herridge—of course, I did mention the minister—and Mr. Lennard whom we have appeared before on many, many occasions during the past years, the remainder are strangers to us. It has been five years since we have had the privilege of appearing before you and, therefore, I would ask the members to bear with me in my deliberations because we have not prepared a written brief; we have prepared and will present to you these resolutions which, if it is your wish, we will discuss one by one. If the members of this committee wish to ask any questions they may feel free to do so. I do not want to take up too much of your time and I would like to ask the chairman how much time will be allotted to our presentation.

The CHAIRMAN: The committee will be sitting for a period of one-and-a-half hours. However, we have another delegation following you. If we have to sit a few minutes beyond our time, we will do so.

Mrs. WAINFORD: We have to lay a wreath in the memorial chamber.

The CHAIRMAN: I have been advised that the clerk has to attend another committee after we have completed our sitting this morning.

Mrs. WAINFORD: We are laying a wreath in the memorial chamber at 12 o'clock. We have endeavoured to circularize this among the various members and hope that they will see fit to attend for at least fifteen minutes. We are the first civic organization in Canada to be granted permission to place a wreath in this chamber. It is a great honour to our association to have this privilege.

I would like to say one thing before we proceed to our resolutions. The minister made a remark this morning that we are like the fishermen, wheat growers and what have you, who come here and ask for more money; we are not here to ask for more money because we want too much, but it is because we need the money that we come before you. In 1953, when this legislation came in, we got \$20 a month and, under the old age legislation I think we got a lower age of 55 years. This has gradually gone up to \$70 a month. We are very thankful for this and, because the Ruler of the world inspires the minds of men, we always pray that inspiration will be given to the government to look after us. Each year that we have attended before you we have come in our own simple way; we are not subsidized in any way. We, in our own way, come before you to advise what has happened in the period since the last increase.

I think we received an increase to \$70 a month when our new government came into power. With supplementation from different departments, it was brought up to \$90 a month, after investigation by various departments. The cost of living for the veterans and the widows has increased considerably. Compared with March, 1948, the power of the dollar is about 48 cents and, today, we find that even with \$90 a month we just are not able to manage. Why not bring it to the \$90 a month? The widows now receiving the old age pension of \$55, plus the \$35 from the federal government, are unable to receive more. Our women can get \$70 a month and be supplemented through the various departments up to \$90, in order to cover medicine, food, clothing and so on. I am sure some of the other ladies have gone into this with pen and paper and worked out the expenses.

I am going to go to the lowest bracket there is—a widow who is receiving the \$70 a month and the supplementation, and goes to live in a room. Now, at one time you could obtain a room for \$4 or \$5 a week; at the present time it is difficult to get a room for \$7 a week. This would be in the neighbourhood of \$32 a month. We will say \$30 a month. Then they have their own food to buy. This works out to about 80 cents a day for food. We cannot do it on 80 cents a day. With the cost of living today, you are unable to go out and buy a pint of milk, a quarter of a pound of butter and a couple of eggs with this amount of money. At one time we were allowed \$1. When we had \$20 a month from the department we were allowed \$1 a day for food. Because of the value of the dollar today our food is high.

Some of the ladies said to me earlier that the first thing I would be told today is that the cost of living has gone down. It has not for us. If it has come down in one respect it has gone up in another. I sometimes wonder why the government gives us an increase because immediately they do the rents go up for rooms, apartments and flats. The landlords come around and say, "You received an increase in your old age pension of \$6"—and this does happen—and your rent goes up \$5. In this way you are no better off in the end.

Again, Mr. Chairman, and members of the committee, I wish to thank you for the privilege of allowing us to come before you and, before I proceed with the resolutions, I will introduce my ladies: Mrs. Hampson, our president, from Calgary; Mrs. Jacobs, from Calgary; Mrs. Hickey, who is one of our old-timers, from Toronto, Ontario; Mrs. Cooper, from Ontario; Mrs. Douglas, from the same branch and also Mrs. Martin, who is from the same branch as well. On my left is Mrs. Robinson from Chateauguay; Mrs. Wheaton, from Verdun, Quebec and Mrs. Hill from Verdun, Quebec.

I am very sorry, but due to circumstances beyond our control a full delegation is not present this morning. We would have liked to have one from each branch. A very good member of ours is unable to appear with us this morning. Is Mr. Broome present today?

The CHAIRMAN: No, he is not.

Mrs. WAINFORD: I would appreciate it if the information was passed along to him that we had a telegram from Mrs. Darville, who was flying down from Vancouver to attend the meeting, to the effect that she is very sick with the 'flu. Due to financial strain we regret that the Edmonton, Winnipeg and other branches are unable to be here today.

At this point we come to the reading of the resolutions. I might add that these have been submitted each year, with only small differences in what we might be requesting.

At its session the council drew up the following resolutions:

- a) That the veterans allowance under the War Veterans Allowance Act, be increased to \$90 per month, making the total allowance

one thousand and eighty dollars (\$1,080) per year; the cost of living is steadily increasing.

This is the resolution which I was discussing a few moments ago. Are there any questions which members would like to ask on this resolution?

The CHAIRMAN: I would ask that you read all the resolutions at this time—I think that is the usual course—and then the members can ask questions.

Mrs. WAINFORD: That would be wonderful. In the past we have done otherwise, but I will abide by your wishes. It may give the members an opportunity to form their questions.

Mr. CARTER: I wonder, Mr. Chairman, if the lady would rather sit down.

Mrs. WAINFORD: I would rather stand up. It is not that I want to, but I have a bad foot and my vocal chords are not so good when I am seated.

b) That the permissible income ceiling be raised to two hundred and forty dollars (\$240) per year, bringing the total income to one thousand three hundred and twenty dollars (\$1,320) per year. We find that the families of veterans and widows are being penalized and that the allowance be awarded as of right. This at least would give the recipient the privilege of a better scale of living.

When we come to resolution B, I would appreciate it if it were discussed in detail.

- c) That all recipients of the war veterans allowance whose late husbands served in England with the Canadian forces be given full consideration of war veterans allowance, we recommend that an amendment be made at this session to abolish the three hundred and sixty five days.
- c1) We recommend that the veteran and the widows of men who served on convoy duty be given the same consideration as those now receiving the war veterans allowance.
- d) That the government give special consideration to a health program whereby the veterans and the widows can obtain free hospitalization. This could be taken care of by the government by the issuing of a special card to the recipients of the war veterans allowance, that when in need of medical care this card could be presented to the doctor or the hospital who in turn would make a claim from the government. This could be dealt with through the district office.
- d1) We the dominion council recommend that the government bring in a bill, at this session, of social security and national health on a contributory and non-contributory basis.
- e) That the government consider placing a ceiling on rentals, as at the present time landlords are raising rents so high that the recipient under the war veterans allowance cannot meet their demands.
- f) That the removal of residential restrictions clause on old age pensions, veterans pensions and allowance to enable continuance of payment of pensions and allowances to those who would wish to reside outside of Canada; right of pensions should be free of restrictions.
- g) Suggested change in the wording of the resolution regarding the over-seventies. Be it resolved—that the recipients of the veterans widows allowance over seventy years of age be allowed a ceiling of permissible income to cover their old age security pension without

reduction of basic veterans widows allowance so as to make it possible for such recipients to receive the old age pension in exactly the same manner as received by all citizens throughout Canada after reaching the age of seventy.

The CHAIRMAN: Thank you very much, Mrs. Wainford. We will throw the meeting open now and any members who may wish to ask questions may do so at this time. I think it would be well to try to deal with each section as we go down the list.

Mr. JUNG: Mr. Chairman, may I ask a question in connection with resolution D?

Mr. HERRIDGE: Could we take them in order, Mr. Chairman?

The CHAIRMAN: I would like to have them in order. Are there any questions in connection with A?

Mr. HERRIDGE: I would like to ask Mrs. Wainford this question in connection with the first resolution. It is recommended the allowance be increased to \$90 a month; does your organization consider that a satisfactory amount?

Mrs. WAINFORD: Definitely, sir. Did you say satisfactory or unsatisfactory?

Mr. HERRIDGE: No, satisfactory?

Mrs. WAINFORD: No, we do not. Yes, if this is raised to \$90 a month. Then, on our next resolution we are asking for supplementation to be added to that. If we get \$90 across the board that would only cover until we come to our second resolution.

Mr. CARTER: What do you receive at the present time?

Mrs. WAINFORD: The ladies' allowance is \$70 a month at the age of 55, provided their husbands served in an actual theatre of war or had a small pension. Then, over and above that, according to the investigation of how much it costs for coal, water, gas and the like—all the incidentals in regard to a flat or a home. This is used by the statistical department to bring us down to the average of 80 cents a day for our food. Then, if they are in need of hospitalization, extra bedding, extra clothing and so on, they go to the department and explain to them their requirements. If the department finds that they should give them \$10 a month for one full year or \$5 a month for a year, or a requisition for \$50 to go to the store to get what they require, that is done through the various departments.

Mr. BROOKS: There is \$20 from the assistance fund, and that is what brings it up to \$90.

Mr. HERRIDGE: What you intend in this resolution is to have the \$20, which is now given as a result of the means test, included in the basic war veterans allowance?

Mrs. WAINFORD: No. We receive \$70 and it can be brought up to \$90; we are asking that we receive \$90 a month and still carry on the supplementation.

Mr. HERRIDGE: You are asking then that the \$20 a month, rather than being made as a result of a means test, be made part of the basic allowance?

Mr. CARTER: No; they are asking for that in addition.

Mr. HERRIDGE: You are asking \$90 as the basic amount?

Mrs. WAINFORD: Yes, across the board, for all veterans widows. We are asking \$90 a month. Does that answer the question? We are asking that our allowance be raised from a statutory \$70 a month to \$90 a month. We are asking for a basic increase across the board for all the widows. We have to include the veterans because if the veterans do not get it we do not. We include the veterans and the widows. Let me tell you this. They did not consider us at the beginning.

Mr. HERRIDGE: You are very wise.

Mrs. WAINFORD: You men forgot all your widows.

Mr. HERRIDGE: Oh no, we never forget the widows.

Mrs. WAINFORD: This is off the record, you know. We are coming to the funny part of the business.

Mr. BROOKS: It is on the record.

Mrs. WAINFORD: Well, I do not want it on the record. After all, the things that are said to us around here sometimes are not funny.

The CHAIRMAN: Order.

Mr. SPEAKMAN: May I ask how many widows are in receipt of this allowance?

Mrs. WAINFORD: Could I ask Colonel Garneau to give us the figures.

Colonel F. J. G. GARNEAU, O.B.E., E.D. (*Chairman, War Veterans Allowance Board*): As of December 31 last approximately 18,600, in round figures.

Mr. BENIDICKSON: What you sometimes get is a supplementary payment made out of the assistance fund.

Mrs. WAINFORD: I do not know.

Mr. C. N. KNIGHT (*Chief, General Services, Veterans Welfare Services Branch*): In respect to the assistance fund, Mr. Chairman, help may be given in two ways: as a continuing monthly grant for ordinary living costs or single grants to meet special circumstances. As of December 31, 1959, 12,877 recipients of W.V.A. were in receipt of continuing monthly grants. I have not the figures for widows alone.

Mrs. WAINFORD: That includes a veteran and a widow.

Mr. KNIGHT: Yes, all recipients.

The CHAIRMAN: If there are no further questions in connection with paragraph A, we will proceed to paragraph B.

Mr. PETERS: What is the reason for the placing on of this restriction? I presume this is the amount that the widows are allowed to earn beyond their allowance before the allowance is cut into. Is that correct? What is the reason for putting this type of restriction on their earning power? That is what it does.

Mr. LALONDE: I think there is a basic difference which should be understood between resolutions A and B. A deals with the basic rate and B with the income ceiling. At the moment the income ceiling for a single veteran, without dependents, or a widow without dependents, is \$90 a month. Resolution B requests an increase of \$20 per month above the \$90 a month, as an income ceiling. The whole act is based on a means test.

Mr. PETERS: This is not the amount of money they are allowed to earn.

Mr. LALONDE: No.

Mr. BROOKS: In addition to this ceiling there is money which they are allowed to earn outside.

Mr. SPEAKMAN: Does it not deal with their permissible earnings? They are presently entitled to earn \$120 a year and you are asking that this permissible earning be raised to \$240 a year. Is this not so?

Mr. LALONDE: There is a difference at the moment of \$20 a month between the basic rate and the income ceiling. The basic rate being \$70 and the income ceiling being \$90, there is a difference of \$20 a month.

Mr. BENIDICKSON: The same ratio is proposed here.

Mr. LALONDE: Yes.

Mr. BEECH: Do they have the same privilege as the veterans of taking casual work?

Mrs. WAINFORD: Yes. In regard to why we are asking this, I would like to say that in 1949 we came to the government to ask for an increase. We were getting \$40 a month and we were asking for \$60. At that time we were also asking for some other assistance. However, at that time the cost of living could have come down, and we asked that if they could not give us the increase could they give us a cost-of-living bonus. We put it that way. In this way, if the price of food and so on came down they could take it from us at any time. They brought it in under the supplementary allowance, and it has been worked that way ever since. At that time we received \$120 a year. They gave us \$50 a month and we could go to the department for \$120. And when we received our raise to \$60 it was still that. Of course, since the new government came in we have been raised to \$70.

During the last four or five years we have been advocating getting this \$90 across the board.

Coming back again to the question of earnings, when section 4 was brought in many years ago to give single veterans the privilege of going out to work for three months and to make \$600.00 a year, we strongly objected to it because, when the government accepted it, to give us this small allowance of \$20.00 a month in 1943, we were off the labour market; the plus forties were off the labour market and we were all getting older. We may sit here looking fine, but the fact is however that we are all getting older. The women are getting older and they are not able to work. If they do go out and baby sit however, they report it to the government. We see to it through our branches that all these things are done properly and on an honest-to-God basis. But of course we do get the odd one who tries to get away with something.

But if we were off the labour market in 1943, why should we have to go to work now. You must understand that we are all approaching the age of 70, and after we have run our three score years, we do not have very much longer for this world, and we are not able to get work. There is not enough work for the younger people, so why throw us out now? That is something which has to be borne in mind.

Mr. BENIDICKSON: Every year we consider the allowable outside earnings or income to be of less consequence to the older group. In fact, they are at a point now where it has very little if any significance.

Mr. WAINFORD: Well, to answer that comment, I think we all fully realize it, and we have discussed it among ourselves. We recognize the position that all governments are in at the present time. We are not asking that somebody go to the bank and put in a few dollars. We are only asking for a few extra dollars.

I lived in a room in order to find out how a woman could manage on her money. She has to live on \$90 a month. She pays \$42.50 for rent. It costs her \$135.00 a year for rent. It costs her about \$22.00 for water, and I would say about \$1 a week for gas and light. That is easily totalled up in your minds, and it does not leave very much for the bread and butter we have to eat. It is not that, but it is a continuation of the same thing during the seventeen years that we have been under this legislation. You can hardly buy a car ticket or go to a show. I lived in it and I am speaking with sincerity because I know.

Now, when this lady is getting the old age pension and the war veterans allowance of \$90, she can then get nothing else anywhere.

Suppose she needs a new stove pipe, I am speaking of the province of Quebec—or some linen; suppose her linen wears out and she has to replace it. That is what the supplementary allowance was given for, to permit her to get

extra linen for her house. She would go to the department and say: "I need something with which to buy new stove pipes", or "I need new shoes"; and they would give her the money for that.

I myself had a request which cost 25 cents to put up a stovepipe in a house I lived in, and I have gone through the experience of this woman. We have all done the same thing. Therefore we find that the woman needs old age security assistance; and with her added welfare allowance which may be up to \$90 a month, she may still need that extra supplementation of \$240 a year to enable her to carry on to buy little extra necessities.

Mr. BATTEN: Under the present arrangement the allowance is \$70 a month, and the ceiling of income is another \$20?

Mrs. WAINFORD: Yes.

Mr. BATTEN: Let us suppose that the allowance were \$90 a month. You are asking for a ceiling of another \$20?

Mrs. WAINFORD: Yes.

Mr. BATTEN: Do you consider that \$20 to be sufficient?

Mrs. WAINFORD: Well, I would not say it was sufficient, but in the meantime if we should get it, then if the country changed and things came down a little bit, we would not need to come back before the committee. But if times do not change, then in another two or three years we would have to come back and make another presentation and ask for more.

Mr. BATTEN: Thank you.

Mr. CARTER: May I ask about that figure that was given just now? I have about twelve thousand receiving supplementary allowances or assistance. Are these people receiving the full allowance or are they receiving from \$10 a month up to the full allowance?

Mr. C. N. KNIGHT (*Chief, General Services, Veterans Welfare Branch*): They would be receiving anything from \$1 a month up to \$20 a month depending on how their needs were calculated.

Mr. CARTER: You do not have the figures for the people who are receiving the full allowance?

Mr. KNIGHT: No, but we can get them for you.

Mr. LALONDE: We can get them for you, yes.

The CHAIRMAN: Shall we now pass on to paragraph C?

Mr. PETERS: Why is it that the ceiling is not removed from those permissible earnings? That does not have anything to do with the allowance, as I see it. It would have, in cases where the allowance was paid; but in other cases—suppose a person should earn \$1,000 beyond the basic pension itself. Is there any reduction in the basic pension?

The CHAIRMAN: Yes.

Mr. LALONDE: You must remember that there is a basic difference between the word "pension" and the words "war veterans allowance". A pension is paid for disability or death arising out of service, and that is not subject to a means test. However, the war veterans allowance is not a pension.

There is a resolution here asking that it be made a pension as of right, but at the moment it is not a pension as of right.

Mr. HERRIDGE: Mrs. Wainford's point is that while these ladies had the right to earn \$50 a month in cash earnings, now they have reached the age and the health where they are not able to do so.

Mrs. WAINFORD: We should be off the labour market in the first place, because we are not able to work. Moreover, why should we go out and take

earnings away from some other person? And in addition, supposing we did want to work, various stores and factories would not employ us unless we were of the age to pay into their pension schemes. That is where the trouble lies today, with the unemployment, because of the insurance that the companies have.

Mr. ORMISTON: How many of the group are registered as unemployed? How many of your group are registered as unemployed?

Mrs. WAINFORD: There are none of our group described as unemployed. We do not register.

For instance, suppose a woman goes out at Christmas, let us say, to work for Birks at the rush season. She would go to the department and tell them so, and her cheque would be held up—the \$70 cheque would be held up. But when she reports that she is no longer employed with Birks, for example, she would get her W.V.A. cheque back again. There are women who do that. But in the last three years in particular it is age, and once age hits you, it is no use; you cannot laugh it off.

The CHAIRMAN: We are running a little behind time. May we pass on to paragraph C now? Are there any questions on paragraph C?

Mr. CARTER: I know that they are asking it for the recipients, but they do not include veterans.

Mrs. WAINFORD: What is that?

Mr. CARTER: In paragraph C, people who do not serve 365 days in England do not receive it. You are asking for something for the widows that you are not asking for the veterans themselves.

Mr. BROOKS: That is up to the veterans.

Mrs. WAINFORD: We know that the veterans organizations are doing it. The widows brought in that resolution and submitted it, and were asked by other veterans organizations what we were going to ask for. We said we would leave it to the discretion of the government.

Fortunately, after pressure from most of the organizations it was given a twenty year basis. At first it was if a man lived in Canada for twenty years, then it came down to ten; but at many of the other meetings where we have appeared, the men who had come out here from the Imperial forces during the first war were subsidized by the government and established in the way we are doing it for the European people we are bringing out as DP's.

Therefore it was very unfortunate that these imperial people who came to this land after two or three years through hazards—maybe they had been in the South African war—or it may be that they had young families and could not go back to Scotland or wherever they came from, and enjoy social security there.

Therefore, when we asked for it, we understood there was only about six or ten of these imperials in the country who enjoyed it. We have one widow whose husband only lacks about seven hours of being 365 days in the country. I agree that the time has to be kept to and the law carried out; but for the few widows there are, the veterans are gone, we are asking for the widows.

Mr. BROOKS: Would you give us that name before you go, please?

Mrs. WAINFORD: Later on, after we have had our meeting.

Mr. HERRIDGE: I have one case of 364 days and 10 hours.

Mrs. WAINFORD: This is much the same case. It has 364 days and 7 hours, or something like that.

The CHAIRMAN: Are there any further questions?

Mr. BEECH: Were not the people on convoy duty in the navy? Would not the people who served on convoy duty be naval personnel?

Mr. LALONDE: No. There were some army personnel who served as escorting officers on troop ships.

Mrs. WAINFORD: We would leave that to the committee to consider, and we will follow it up ourselves.

The CHAIRMAN: Are there any further questions on paragraph C-1? Or shall we pass on to paragraph D?

Mr. JUNG: I have three questions to ask, but before I do so I want to say how impressed I am with the remarks made by Mrs. Wainford in regard to the ceiling on earnings by her group, and also I think her remarks have a similar application to all veterans.

I think that the department might usefully consider this aspect again, because as Mrs. Wainford so ably pointed out, this is of no use to the veterans and the widows as they get along in age.

I want to ask three questions. The first one is this: how does the present hospital setup throughout Canada, the hospitalization program, affect what she is asking for in resolution D? And I would also like to ask the departmental officials what our policy is with regard to medical expenses for widows, and also with respect to funeral expenses for widows?

Mrs. WAINFORD: In regard to free hospitalization, I go back again and say that at one time indigent widows, other indigent persons, or old age pensioners could go to a clinic, let us say seven or eight years ago, without paying maybe more than 25 cents for admission to go through to see a doctor.

— But now things have reached the stage through hospitalization and the various provincial programs in their social legislation applying to health so that, let us say, if I went to a hospital today, I would have to go to the clinic.

I am going to speak specifically of Montreal, although I have lived in Toronto and I have had some experience in Toronto, but I will speak of Montreal. There they ask you to pay \$2 at the wicket, whether you are a widow or an old age pensioner.

Suppose you say that you cannot pay? But before you get away from that wicket, you must pay 50 cents, and you go to see your doctor, and you get a bill for medicine which would cost you half the price. So, by the time you come to pay for your carfare to the hospital, you might as well go to an ordinary doctor, if you understand, in that respect.

For years and years we had advocated that cards ought to be given to widows who are recipients of the allowances so that when they go to a hospital they could present their cards and go through the clinic without any trouble.

I think it was discussed with one of my Ontario colleagues, and this now applies to two principal cities. I realize that there are difficulties of contend with as far as social welfare is concerned, but that is why we are all here trying to battle this thing out.

Now we pay into this Ontario hospitalization as widows and old age pensioners. It is not given to us in the provincial fields. I speak personally, from my own experience and not on behalf of any club. We pay \$25 a year. Unless the doctor asks that you be permitted to get into hospital, you receive no benefit.

If you should order x-rays or anything, you go to the hospital; but it is an outside clinic which gives you your x-rays and you must pay for them. Therefore we are after this amount of money, and I shall try to explain it to you.

In Quebec—and this is up to a few years ago, and is still carried on—if you wish to go to a hospital and if you say you have no money to pay for it, they will ask you for your brother-in-law's name, or your father-in-law's name, or your grandfather-in-law's name, and somebody has to pay that bill before you can get out of the hospital.

They ask for your son-in-law's name in Quebec. I had an experience in Toronto which cost me a lot of money. I asked a friend how it would work in Toronto if I should go to a hospital there, and if they would investigate my son-in-law. She said, not my son-in-law; but if I had a son, he would be responsible to pay for my hospital bill.

That is why we are asking that our families not be penalized.

I brought this up the last time I appeared before the committee. I did speak very plainly to a man named Mr. Good from Vancouver and he told me that we were not very grateful to the government for this increase, when we got \$60 a month.

I had also submitted a bill from my son-in-law who was going to be put in prison if he did not play \$340 on behalf of his mother-in-law who had been put in hospital.

I asked the member how he would like to have his father-in-law or his mother-in-law staying with him. Even with your big salaries, you cannot do it. You cannot be expected by your in-laws to pay for their hospital bills. So if we cannot do it ourselves, then why should our families be penalized by that?

We got this allowance from the government, and we should get it without our families being penalized.

Mr. HERRIDGE: I understand that the department has had considerable difficulty in getting the provincial governments to cooperate in this matter.

Mrs. WAINFORD: I fully realize that. I am sorry that we did not add this to our resolution. But if the government even considered—and I would like this to go down on the record—that we could go to a civic hospital or to a military hospital to get this free medicine—medicine is terribly expensive. You go to a doctor before you go out. I will cite a case. My daughter has a friend in Toronto whose husband has a good situation. She went to a doctor and the doctor prescribed some pills. It was \$36 for 18 pills. In the meantime she spoke to a friend who said "Why don't you do down to Honest Ed's". He was selling pills at a reduction. She said "I will phone up the drug store and ask for my prescription back." She phoned up and said "Could I have my prescription back again because I think this medicine is too expensive; I want to take it to some other place where it is cheaper". They said "Wait a few minutes", and in 15 minutes there was another 18 pills up at that house.

Those of you who have had any sickness must know what the price of medicine is today. It would be a good thing if the government could even do something to supplement us in getting medicines from the various hospitals. I understand that in one province the hospital welfare department sends them to a certain store where they can get medicines at half price. We are too old now to start delving into the matter with the provincial governments to try to get them to compromise the federal government. If I was about 12 years younger I might go after the premier of the province of Quebec or Ontario to see how they could compromise together, but we are unable to do that now. We are hardly able to come here.

The CHAIRMAN: Mrs. Wainford, any questions which the departmental officials can answer might be delayed until we reach the item in the estimates.

We will pass on to paragraph D1.

Mr. BEECH: This matter is already before the council.

Mrs. WAINFORD: Yes. This is what we have been speaking about now. We discussed this with the minister. We know at the present time that the obstacle is the medical profession which is against any government bringing in a national scheme for us. This is a new thing today and it might take five or ten years to come through if somebody keeps pressing it and perhaps the

provincial governments will compromise and make it into a solid protection. I think this is a good resolution to be brought before the government.

Mr. CARTER: This is a general resolution for the benefit of every one.

Mrs. WAINFORD: Yes; social security and national health on a contributory and non-contributory basis. Originally we said we were quite willing to pay the 41 cents off our small pension if this legislation was brought in on a contributing and non contributing basis. I am even sure that we would be quite willing to pay this off our \$70, \$1 a month, so long as we did not have to go through the sickening condition in the hospitals which we have to go through now.

Mr. CARTER: It would appear that this resolution should be more properly submitted to the other committee.

Mr. BROOKS: This resolution and the next one does not come under the Department of Veterans Affairs. It would be dangerous to establish a precedent of discussing every phase of legislation in this committee.

Mr. HERRIDGE: Yes, but I understand this is a just expression of opinion from the ladies.

Mr. BROOKS: Yes; but we will not have the gentlemen appearing here with a long list of other things which do not pertain to the department.

The CHAIRMAN: We will pass on to paragraph F.

Mr. BROOKS: That will come up under the bill on war veterans allowance which will be taken up later.

The CHAIRMAN: Paragraph G. Are there any questions on paragraph G? This has to do with the old age pension.

Mrs. WAINFORD: This resolution states that the widow when she becomes 70 years of age and is drawing the war veterans allowance of \$70 a month should get her old age pension cheque of \$55 over and above her \$70.

Mr. CARTER: You mean over and above her \$90.

Mrs. WAINFORD: No. Our basic war veterans allowance.

Mr. CARTER: You are asking that be changed to \$90 now.

Mrs. WAINFORD: Just a minute, sir. The basic allowance today is—I am not drawing the old age pension. It will not be very long until I do. Say I am drawing the war veterans allowance and next month I am going to be 70. So I am drawing \$70 from the government now. When I get the old age pension I get the balance taken off me which leaves me with \$90. But we are not working on that. I am still not under the old age pension. When I am I want my \$70 and I want my old age pension cheque over and above that. So it would be \$70 and \$55, which would be \$125.

Mr. CARTER: What would you want if your first resolution were passed and the allowance was raised from \$70 to \$90? Would you still want your \$55 in addition to your \$90?

Mrs. WAINFORD: We would leave this to the members of this committee to work out. We would have to see what the conditions in the country were in order to know that. I might express my personal views on this and I might be criticized.

Mr. CARTER: It is a question of the income ceiling.

The CHAIRMAN: Are there any other questions which you would like to ask Mrs. Wainford? If not, we have another delegation. I do not want to keep the committee too long. Mrs. Wainford, have you anything else you would like to say before you close?

Mrs. WAINFORD: I do not think I have omitted anything. I think every thing has been gone through here in the time allowed. We could dwell on

many things but we have only a limited time. If we have the privilege of coming back before this committee perhaps we would not have to work so hard for such a limited time. We have always come in as quickly as we can and have gone out as soon as possible. There are many suggestions we could discuss to open your minds, especially the members who do not understand anything about us. At one time we knew every member of parliament and every member of this committee. Now we do not know any of you. We do not work on the cabinet side. We run to the private members.

Mr. HERRIDGE: Mr. Chairman, I would suggest to Mrs. Wainford, if the Canadian non-pensioned veterans widows feel we have overlooked any things, that they should see the parliamentary secretary, Mr. Dinsdale, and he will see that they have plenty of time to discuss them.

Mr. BENIDICKSON: I know Mrs. Hickey who is from Ontario has been with this organization a long time and she might like to say a few words.

The CHAIRMAN: As soon as Mrs. Wainford is finished. Have you anything further, Mrs. Wainford.

Mrs. WAINFORD: No, Mr. Chairman. I did thank you all when I came before you. Now I will call on Mrs. Hickey, who has had many years with us, to give a vote of thanks to you and the members of the committee. We will be hoping to hear from you and to have a copy of the minutes of proceedings and any other literature which comes from this veterans committee.

Mr. BROOKS: We will send you reports.

Mrs. WAINFORD: Thank you very much, sir.

Mrs. H. HICKEY: Mr. Chairman, Mr. Minister, all the heads of the departments and members of the veterans affairs committee, I have been coming up here for a good many years. There is one thing I would like to straighten out in respect of the Ontario hospitalization.

If you do not register, or the family does not register, under this Ontario hospitalization plan it is then that the son is brought into play. You see, sometimes ladies or even old men refuse to sign their name to anything and therefore the family sometimes neglects to do it. That is where the son has to meet the expenses, should that person have to go to a hospital. If they register there is not any difficulty, to a certain amount. If, however, they do not register and they have to go to the hospital it has on occasion cost that family \$18.00 odd a day. Otherwise it is working pretty well if you need something, but there is never a bed. There is not a bed; or if you do meet with an accident of any kind and you do not report that accident within twenty four hours, well sometimes you do not know whether or not it is an accident.

Mr. BROOKS: You are not referring to veterans hospitals.

Mrs. HICKEY: No. I am explaining this Ontario hospitalization. I do not want the members to be confused regarding the legislation and regarding the hospitalization of Ontario.

The next thing is that I wish to thank all the old members of this committee and also the new members for the attention you have given us today. I must say that we have had great co-operation and that I am never afraid to go down to the department. I was when I first came; I was afraid to speak, not that I didn't speak—I did.

I remember going into Mr. Brooks' office one day—this is 12 years ago—and told him I had to phone home and Mr. Brooks said "My phone is there". Then you might go into another person's room and say "May I use your phone" and you end up by going across the hall to the room of somebody you have known for a good many years. The more often we come here the

more co-operation we get. I do think this organization has done a wonderful job between the city officials, the province and the Department of Veterans Affairs. This organization has done much to combine them together because we are the "in between" which stops them fighting with you and fighting with us.

That is all I have to say.

Mr. BROOKS: Thank you very much.

The CHAIRMAN: Mrs. Wainford and members of the delegation, I thank you very much for coming here and giving us a clear explanation of a few of the things which you wanted us to know. I would like to say that the members of this committee all are veterans and are very sympathetic with veterans affairs. I think I can also say from my own experience that the officers of the department, within the limits of their responsibilities do everything they can. I do not think that if you went into the room of any one of the members of this committee that they would say you could not use their phone.

Mrs. HICKEY: Now they have seen our faces they will know us to speak to us in the hallways.

The CHAIRMAN: Gentlemen, any of the details in respect of the briefs can be discussed later when we come to the items in the estimates.

We will now call on the next delegation. We have with us Dr. Sutherland and Dean Homewood of the Chiropractic Association of Canada.

I will call on Dr. Sutherland to present his brief.

DONALD C. SUTHERLAND, D.C., (*Executive Secretary, Canada Chiropractic Association*): Thank you, gentlemen. I would like to thank you for the opportunity of appearing before you this morning at this first meeting. My only regret is I do not possess Mrs. Wainford's experience in having appeared before you and making a presentation.

This brief is addressed to the hon. Alfred J. Brooks, Minister of Veterans Affairs, with copies to the chairman and members of the standing committee on veterans affairs. Included with this brief we have enclosed a copy of the calendar of the Canadian Memorial Chiropractic College and a booklet, *A Career in Chiropractic*. These will give you a background of our educational standards in Canada. We were not able to obtain a list of the committee members prior to coming here. I know there are not sufficient copies of the brief but we will certainly take steps to provide them for you.

This brief is respectfully submitted to urge that chiropractic treatment by qualified licensed chiropractors, be included in the forms of treatment provided for disabled veterans and that the Veterans Treatment Regulations under the Department of Veterans Affairs Act, be amended to include chiropractic care.

Canadian workers are provided with chiropractic treatment under provincial workmen's compensation acts. I might say here that these acts are in the provinces of New Brunswick, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia, so that it affects the vast majority of Canadian workers. Canadians also receive chiropractic care through many insurance companies under the terms of their health and accident insurance policies.

The Canadian Legion requested that the Canadian government provide chiropractic care for disabled veterans, and submitted a resolution following their latest Dominion Command convention. I understand the legion is represented here this morning.

We feel that the veteran is entitled to the most advanced health care available and that he should have access to this care whether he be taking treatment under the provisions of a provincial Workmen's Compensation Act,

or under a health and accident insurance policy, or under the provisions of the "Veterans' Treatment Regulations", under the Department of Veterans' Affairs Act. We submit that the method of treatment developed by the chiropractic profession is most effective, particularly with relation to body mechanics and its influence upon the spine and the spinal nerves, and that this concept has been a most valuable contribution to the field of therapeutics. This is borne out by statements made by authoritative writers and periodicals in the health field.

In view of this contribution we respectfully submit our request that chiropractic treatment be made available to disabled veterans by amending the "Veterans' Treatment Regulations" as suggested earlier.

Our brief continues with an outline of the position of the chiropractic profession in Canada, and we trust that this will receive your thoughtful consideration.

What is Chiropractic

Chiropractic is:

"The philosophy, science and art of locating, correcting and adjusting the interference with nerve transmission and expression in the spinal column and other articulations without the use of drugs or surgery."

Chiropractic is a separate and distinct science. The premise upon which it is based is stated in Gray's Anatomy, 26th Edition, 1935, at page 867, in the introductory paragraph on neurology:

The nervous system is a mechanism by which all, save the lowest, forms of animal life are enabled to react to their environment. In addition, the nervous system controls and regulates the activities of all the other systems of the body and determines their harmonious co-operation for the benefit of the organism as a whole.

The practice of chiropractic consists of the use of accepted scientific procedures for the purpose of locating, analysing, correcting and adjusting the interference with nerve transmission and expression (especially in the spinal column) without prescribing drugs or performing operative surgery.

Chiropractic is a specialized science

The chiropractor is a professional man educated and trained to professional standards in his profession. He is trained in the use of standard diagnostic procedures, and also in the use of specialized chiropractic diagnostic procedures. These are used to discover harmful conditions present in the human body and to make accurate diagnosis of conditions which he is qualified to treat. Chiropractic diagnostic procedures include structural analysis and the use of X-rays to take shadow photographs of the human spinal column for diagnostic purposes but not for treatment.

Although chiropractors deal with structural adjustments, they do not set bones, treat cuts or wounds, perform operative surgery, practice obstetrics, or prescribe or administer drugs. When a condition is found to be outside the chiropractic field, the chiropractor refers the patient to a qualified specialist of a healing art qualified to treat that condition. Chiropractors work in co-operation with all branches of the healing art in order to make the best provision for the benefit of chiropractic for the public.

In the survey taken in Canada in the month of December, 1956, it was ascertained that 83.6 per cent of chiropractors contacted in the survey had received patients referred to them by medical practitioners, and 97 per cent of the same chiropractors reported that they had frequently referred patients to medical practitioners when they felt the condition of the patient was not within the chiropractic field of practice.

The Canadian Memorial Chiropractic College is located in Toronto and is wholly owned by the chiropractic profession. I want to emphasize that this is not a privately owned institution. It represents an investment by that profession of over \$300,000.00. Standards set in this college are equal to the best chiropractic colleges either in the United States or elsewhere, and enable students to meet and surpass the standards set for practice of the profession in this country or the United States.

To enter the Canadian Memorial Chiropractic College a student must have entrance requirements of senior matriculation or first year university. The course is four years of nine months each, representing over 4,000 class hours of professional education plus practical chiropractic and clinical work.

The hours spent in this college both on theory and on practical work compare favourably with that required of persons entering any other profession, and it has been stated by an entirely independent research organization in Washington, D.C. (Dr. Dewey Anderson, Ph.D., executive director of the Public Affairs Institute) that:

The graduate of an accredited chiropractic college is as well qualified to practice his healing art as a graduate of an accredited medical college is qualified to practice medicine as his form of a healing art.

The subjects taught in the Canadian Memorial Chiropractic College are as follows—and if you wish a detailed breakdown of the hours spent on these subjects, you will find it in the calendar of which you have copies:

Anatomy (including all branches, gross anatomy, human dissection, etc.)	Diagnosis
Physiology	Psychiatry
Chemistry	Gynecology
Medical jurisprudence	Bacteriology
Pathology	Hygiene and public health
Psychology	Symptomatology
Eye, ear, nose and throat	Obstetrics
Histology	Principles of practice
Dietetics	Technique and treatment in chiropractic

After graduation, he must pass board examinations in the particular province in which he intends to practice.

I should emphasize, perhaps, that these are government boards. The examinations in the provinces are well conducted and are of a particularly high standard. The Canadian chiropractic association is now establishing a Canadian examining board, so that chiropractors may write Canadian examination before entering practice in any particular province and also to co-ordinate the standards between provinces.

It is apparent from the foregoing that chiropractors are thoroughly trained and educated in their profession.

The profession of chiropractic is only just over sixty years old, but there are, at this time, more than 20,000 licenced and qualified practitioners on this continent. This number increases by hundreds each year. On December 10, 1953, the Canadian chiropractic association was incorporated by letters patent under the seal of the Secretary of State of Canada.

This association is charged with the responsibility of governing the profession in Canada and is assisted in this respect by boards established under provincial legislation in certain provinces.

I listed these provinces earlier. The membership of the profession in each province in Canada is represented on the national board of the Canadian Chiropractic Association. The number of representatives varies proportionately with the number of practitioners in each province. The association is charged with the responsibility of maintaining a high standard of education and

ethics for practising members of the profession, and of promoting the advancement of scientific research in relation to matters within the field of chiropractic. Committee members practicing in each province discharge this responsibility and are extending an efficient service to the profession and to the Canadian public in this respect.

Chiropractic is today regarded as one of the great healing professions in this country. In the same manner as other professions, it controls and disciplines its own members. Formation of the Canadian chiropractic association, under dominion letters patent, has resulted in the establishment of a central body unifying and co-ordinating the standards and practice of practitioners in Canada and ensuring that satisfactory standards of practice are maintained throughout the country. In many provinces standards are maintained by provincial licensing boards and these are co-ordinated by their association with the Canadian chiropractic association. In this respect, I would like to insert at this point the names of some of these standing committees on education: education on roentgenology, the Canadian council of chiropractic roentgenology; research; ethics and discipline; legislative; industrial accident prevention.

Development and public recognition of chiropractic

On June the 4th, 1943, a submission was made by the dominion council of canadian chiropractors to the special committee on social security (minutes of proceedings of evidence, volume No. 17), at which time the total number of chiropractic practitioners in Canada was 668. Today, there are more than 1,100. In that submission, it was submitted that some 13,000 chiropractic treatments were given daily by practitioners in Canada. Today, there are more than 27,500 chiropractic treatments given daily in this dominion. Of this number, it may be estimated conservatively that 10 per cent are administered to new patients.

In a survey conducted by an independent business and economic research company, at the request of the Canadian chiropractic association, in 1956, it was reliably estimated that some 2,567,000 patients were treated in 1955 by the chiropractic profession in Canada.

The survey revealed from its study that the average chiropractic practitioner in Canada accepts at the present time approximately 26 new patients every month, or 312 per year. The annual increase in the number of new patients is currently, therefore, about 250,000 on the basis of these figures and represents an annual increase of about 9.7 per cent.

Judging from the past ten years, it is reasonable to assume that ten years hence, the number of Canadians availing themselves of chiropractic care will be approximately twice the present figure. The survey draws the conclusion that "actually the gain in the next ten year period, that is by 1966-67, should be even more pronounced because of the public relations efforts by the profession, a large number of licenced chiropractors, and a wider acceptance of chiropractic by an ever increasing population."

Mr. Thorp McClusky, a well known writer on health subjects, published a book in June, 1957, in the United States of America, entitled, "Your Health and Chiropractic" based on several years of investigation in all parts of Canada and the United States of America. His material is verified by statistics and accurate clinical records.

At page 13 of the book, the author has this to say in relation to the position achieved by chiropractic in the United States.

"Chiropractic has grown like a mushroom. Today after only sixty years, there are more than twenty thousand chiropractors and twenty million chiropractic patients in the United States alone. This means that about one-sixth of our population has experienced the services of a chiropractor. The total chiropractic patients within the boundaries of the continental United States is increasing at a rate of about two million a year."

Similar progress has been made in Canada. Independent surveys, public opinion polls and debates conducted in this country and reported through the press and radio, have indicated that more than seventy per cent, and in some instances as high as ninety per cent, of public opinion has both endorsed chiropractic and have indicated that they are in favour of the principle that the patient should have freedom of choice of treatment in any health program.

It must be realized that if this principle is not recognized then citizens will be forced to pay for health protection, either indirectly by taxation or as required by the health program, and the same people who desire chiropractic services will be required to pay for the same in addition to their other contributions to that program.

The value of chiropractic and the status of the profession have been recognized in many ways. As stated above, the government of Canada has incorporated the governing body of the profession by its letters patent. The same government after the last world war, through its Department of Veterans Affairs recognized the Canadian Memorial Chiropractic College in Toronto, and paid the tuition, living allowances, and text books of over 250 veterans returning to civilian life.

These men attended the Canadian Memorial Chiropractic College in Toronto. The dominion government also assisted in the maintenance of these veterans in their course of study for a period of four years. It would not seem to be consistent to prevent these men from participating in any national health program. It should be emphasized here, possibly, that although the government has trained and educated veterans to be chiropractors, these same gentlemen cannot treat their fellows if they require chiropractic care.

Workmen's compensation boards in most provinces of Canada provide chiropractic benefits for injured workmen. Such boards allow an injured workman to select for his treatment a physician, a chiropractor, or a member of such other recognized healing profession as he may choose. The boards have no difficulty in co-operating with the profession and they are paying the usual proper charges of the chiropractors engaged on behalf of the injured workmen.

Many insurance companies in Canada and the United States arrange for claimants to have chiropractic treatments as necessary treatments for their condition and pay claims presented by the injured. We have a record of over 250 instances of this nature and no doubt there are many more. I should emphasize that "instances" should refer to insurance companies. These are not individual claims; there are over that number of companies recognizing chiropractic.

Some insurance companies include chiropractic specifically in their policies—that is, it is written into the policy in black and white—others approve the services and pay chiropractic claims, although it may not appear in black and white in the policy.

Many industrial corporations throughout the country have endorsed chiropractic in the same way and in some instances chiropractors are retained as health consultants.

Both the dominion and provincial command of the Canadian Legion have repeatedly passed resolutions urging the federal government to include chiropractic in the health services of war veterans.

These are but instances and a more detailed presentation could be given, but it is not within the compass of this brief. The recognition of the profession is best shown by its continued growth and by the position which it occupies in the eyes of the public.

History of chiropractic in industrial cases

Canada's Foundry Journal reported in its June 1956 issue, the results of an industrial survey from the files of workmen's compensation boards in forty-four states of the U.S.A. The survey was limited to a study of low back injuries treated by three methods, chiropractic, osteopathy and medicine. In all, 4,746 cases of low back injuries were included in the survey. Fractures and other injuries requiring surgery were not included. The cases treated in hospitals were not considered to be any more serious than those treated outside of hospitals.

The findings disclosed that the relative number of work days lost under the different types of care: medical (non-hospitalized) with 19.9 days; hospitalized with 33.8 days; osteopathy with 11.5 days; and chiropractic with 10.9 days off work. The cost was as follows: chiropractic \$27.07; osteopathy \$35.46; medical (non-hospitalized) \$50.06; medical (hospitalized) \$85.34. Obviously, chiropractic treatment results in less time loss to the injured workman and consequently a faster return to remunerative employment.

These statistics forcibly contrast the time lost, costs, etc., and emphasize that chiropractic patients are usually maintained in an ambulatory state. The successful treatment of accident cases is strikingly illustrated by the fact that chiropractors treat athletes in 68 professional teams, 111 amateur teams, and 73 school teams in Canada. Many chiropractors have an official status as team practitioners.

General information

Expert testimony of chiropractors as to the diagnosis, treatment and prognosis of patients' conditions is accepted in courts of law and chiropractors' fees are deductible for income tax purposes as are medical and dental bills.

In this age of specialization it is not true to say that medical practitioners provide the same service as chiropractors. Having pioneered and developed a new therapy, chiropractors now find that their ideas are being accepted by their former critics. Note for example, the high percentage of chiropractors receiving referrals from medical practitioners. Also of current interest, are articles appearing in official medical publications. The British Journal of Physical Medicine for June, 1957, in an article by J. Bradley Hoskisson, B. Sc. M.C.S.P., M.B.P.S., discusses spinal subluxations and gives a description of the methods used to correct such mechanical faults in the spine. Further evidence to this effect is contained in the July 1st, 1957, issue of the Canadian Medical Association Journal in an article prepared by W. B. Parson, B.A., M.D., and J. D. A. Cumming, B.A., M.D., advocating a method of treatment identical to that developed by chiropractors.

In summation we reiterate:

- (1) Chiropractic is a separate and distinct healing profession.
- (2) The profession has substantial public acceptance; endorsement of business, labour and sports; is legally recognized by many governments, boards and commissions, and, in recent years, has gained proponents who were formerly critical because of a complete lack of knowledge of the fundamentals of this specialized field of the healing arts.
- (3) The chiropractic profession is entitled to receive complete recognition by all government agencies on the same basis as the medical and dental practitioners.
- (4) Finally, that chiropractic treatment and counselling be included in federal health programs, and legislation, including the amendment to the "Veterans' Treatment Regulations" to provide chiropractic care for disabled veterans as requested on page one of this brief.

In concluding, I would like to submit that in making a provision for chiropractic treatment under the regulations, apparently it is not necessary for a major piece of legislation to be enacted, but an order in council adding three or four words to the definition of "treatment" would be adequate.

I want to thank you, gentlemen, for your kind attention. I would explain that this brief was presented by me in the absence of our parliamentary representative, Dr. L. D. McPhail of Winnipeg, who was unable to attend. However, I am very happy to have Dean Homewood with me this morning, and I am sure that if you have any questions on what we have presented we will be most happy to deal with them. Thank you very much, sir.

The CHAIRMAN: Thank you very much, Dr. Sutherland. Are there any questions?

Mr. CARTER: Mr. Chairman, I would like somebody to give me just a short answer as to where you draw the border line between osteopathy on the one hand and the masseur on the other, because my experience has been that similar equipment is used by all three, in some cases.

Mr. SUTHERLAND: Yes, the comparison is probably better drawn between the osteopath and the chiropractor. These professions developed separately, but they are very similar in many respects. In the United States osteopathy has advanced to the point where they do surgery and prescribe drugs, whereas chiropractors have not; and in Canada we are restricting ourselves to manipulative procedures in the chiropractic profession. I believe the osteopaths in Canada do the same. They do not have the same opportunity and scope that they have in the United States. But the professions are quite similar. As I say, they developed separately and for that reason some of their manipulative techniques are somewhat different; but there are many similarities.

There are 1,100 chiropractors in Canada. I cannot give you the total number of osteopaths, but I think it is in the neighbourhood of 100, or perhaps a little more than that.

Mr. HERRIDGE: Could you tell us how many times your organization has made representations to the department to be included in their treatment regulations, and why was your application rejected?

Mr. SUTHERLAND: As closely as I can recall, it was rejected on these grounds. There were perhaps two reasons. One reason which was given was that in order to keep up the present high standard of treatment it was felt that treatment should be maintained under medical supervision. That was the principal reason. Another reason was that they felt the same service was provided at the present time. We take exception to that: I do not think that it is.

Mr. BEECH: Are chiropractic services used at all in the department?

Dr. J. N. B. CRAWFORD, M.B.E., E.D., (*Treatment Services, Director General*): Not at all, sir, no.

Mr. CARTER: Are osteopaths recognized by the departmental regulations?

Dr. CRAWFORD: No, sir. Our regulations are to the effect that only qualified practitioners of medicine can participate in the treatment.

Mr. STEARNS: Which provinces do you not operate in now?

Mr. SUTHERLAND: I would say that we operate in all of them, with the possible exception of Newfoundland. Your point, probably, is: where are we licensed?

Mr. STEARNS: Yes.

Mr. SUTHERLAND: We are licensed in all provinces except Newfoundland and Prince Edward Island, where I believe there is only one chiropractor anyway; and Nova Scotia and Quebec.

Mr. STEARNS: You are not licensed in those provinces?

Mr. SUTHERLAND: No.

Mr. STEARNS: Could you tell us why?

Mr. SUTHERLAND: Yes, I suppose I can. We have presented proposed legislation to the government of Nova Scotia for the past three or four years to raise the standards there and eliminate unqualified people, because there are no examinations. We do not like this any better than anybody else. We had support from labour and insurance companies in presenting this proposed legislation. However, the medical profession took exception to it and, I am sorry to say that they have been successful in having it defeated. We try to understand their attitude on this. It is because this is a new profession, and I suppose everything new is opposed for a period of time. But we feel sincerely that we have made a very important contribution in the field of therapeutics, and we intend to continue.

Mr. BADANAI: Do you feel that your profession is accepted by the medical profession?

Mr. SUTHERLAND: Yes, we feel that our profession would fall into possibly the same category as dentistry, as far as separate professions are concerned.

Mr. BADANAI: Is there any area of conflict between the two?

Mr. SUTHERLAND: We feel that our treatment, rather than conflicting with medical treatment, complements it. There are many areas where it overlaps, of course. For example, a medical practitioner might treat a case of sciatica with sedation, whereas we would prefer to treat it with manipulative treatment to relieve pressure on the nerves. In cases like that there is an overlapping, but the approach is definitely different. We approach it and treat it from a mechanical viewpoint, whereas basically the medical doctor approaches it from a medical or surgical standpoint. We feel the three are complementary and should be used as we have indicated.

Mr. FORGIE: You say, on page 4, that 83.6 per cent of chiropractors contacted in the survey had received patients referred to them by medical practitioners.

Mr. SUTHERLAND: That is true. Perhaps we should explain that a little more. This referral between the two professions has increased very markedly in the past seven or eight years particularly, since our college opened in Toronto, but unfortunately it is not as open as it should be. I have personally had patients referred to me by medical practitioners, but they prefer to do it on the quiet and not be too open about it. I guess you cannot blame them, in the circumstances. There is an element of competition. However, that is the way it is.

Mr. WINKLER: Could you inform us to what extent your syllabus of training is comparable to that of a medical doctor?

Mr. SUTHERLAND: I think perhaps Dr. Homewood could speak more accurately on the course of study at the college, if he may.

The CHAIRMAN: Yes. Dr. Homewood, you might sit up here. Gentlemen, Dr. Homewood is the dean of the Canadian Memorial Chiropractic College, so he is an expert in his field.

Mr. BEECH: While Dr. Homewood is getting his notes; this group did a wonderful job in the Toronto area, where they formed a very active branch in the Canadian Legion and were very helpful in having some of these young veterans re-established.

A. E. HOMEWOOD, D.C., F.I.C.C. (President and Dean, Canadian Memorial Chiropractic College): Thank you, Mr. Beech.

Mr. STEARNS: The legion has presented legislation from time to time. They feel that some of the veterans have benefited from your treatment; is that the idea?

Mr. HOMEWOOD: Yes, that is correct. Over the years veterans have sought the services of chiropractors at their own expense and the members of the Legion have felt that if they wanted this type of service, and this was beneficial to them, it should be provided for them under the veterans administration. So the Legion has pushed this and in most of their conventions they have submitted such resolutions.

Mr. CARTER: Following that, is there no way in which a veteran can obtain the services of a chiropractor except at his own request and expense?

Mr. HOMEWOOD: Not to our knowledge.

Dr. CRAWFORD: No, we will not pay for it, Mr. Carter.

Mr. FORGIE: Do you not feel that the bridge existing as far as the medical profession is concerned was created at a time when you did not have the discipline and the instruction that you have now, as far as chiropractic is concerned?

Mr. HOMEWOOD: Very definitely. We are not shirking our responsibility in this matter. We, like medicine, grew up from a very humble beginning. Medicine had a very profound house-cleaning at the turn of this century in our educational system. We are still struggling to completely clear up our problems in education. We do not deny it: we do not hide behind it. Certainly all the chiropractors of the past have not been ideal.

I would like to come back to the member's question, if I may. On pages 7 and 8 of the Canadian Memorial Chiropractic College calendar you will find listed those subjects and hours that they are taught, and I think you will find that there is quite a similarity between courses in medicine and in chiropractic. We both have the basic science subjects. Our fields of approach to treatment are very definitely different. We do not study pharmacology or surgery; but we do have, of course, anatomy, chemistry, physiology, and so on down the line; also, bacteriology, diagnosis, X-rays in its various forms. You will notice that there is a section set aside for X-ray extending through from the third semester.

Mr. CARTER: Are these subjects taught by qualified professionals?

Mr. HOMEWOOD: That would depend on your interpretation of "qualified".

Mr. CARTER: I mean, people who have scientific or medical degrees in these particular subjects.

Mr. HOMEWOOD: Not necessarily university degrees. Many of us, like myself, are graduates of chiropractic colleges. I have spent 15 years in the field of chiropractic education and teaching as the administrative head of the institution.

An hon. MEMBER: You must have been through university, though; is that the idea?

Mr. HOMEWOOD: For the province of Ontario it is on matriculation from high school, grade 13.

Mr. WINKLER: In regard to your type of treatment, inasmuch as it is largely therapeutic, are these services, to the best of your knowledge, granted in hospitals in some other way?

Mr. HOMEWOOD: No, I do not think you can say that chiropractic service is provided in any other way.

Mr. WINKLER: I did not quite mean, from the point of view of chiropractic; I am talking about the therapeutics involved.

Mr. HOMEWOOD: I was thinking in those terms, of the adjustive procedures or, if we may use the term, manipulative procedures. I have here a new text by Mennell that has just come out, on Back Pain. This is a 1960 publication. He is a medical practitioner. He shows quite a few manipulative methods. They are certainly not like chiropractic; they are a very general type of manipulation. They fall, perhaps, more into manipulation from the osteopathic side.

Mr. WINKLER: Mr. Chairman, this is supplementary to my other question, if I may. May I at this time ask Dr. Crawford a question?

The CHAIRMAN: Yes, you might as well follow that now.

Mr. WINKLER: Is therapeutic treatment available in our veterans hospitals?

Dr. CRAWFORD: That is how we serve, by treating people: that is what therapeutic means.

Mr. WINKLER: In this manipulative field?

Dr. CRAWFORD: We have departments of physiotherapy.

Mr. WINKLER: That is what I am getting at.

Dr. CRAWFORD: We have very extensive departments of physiotherapy with specialists in physical-medicine in charge of them.

Mr. CARTER: You feel, Dr. Crawford, that they would perform the same service as a veteran would get from a chiropractor? They are equivalent, in other words?

Dr. CRAWFORD: We treat people and we cure evrything that is curable.

An hon. MEMBER: Oh, yes?

Dr. CRAWFORD: I do not think I would like to compare what is done in our hospitals to what the chiropractors does.

Mr. CARTER: I would like to ask one question about drugs. You say that chiropractors do not prescribe drugs; they do not use drugs. You sometimes use inhalants, I understand, which contain drugs; is that right.

Mr. HOMEWOOD: Certainly not by our desire. Individuals might happen to do things which would not have the blessing of the professional group.

Mr. CARTER: But it is not a part of your practice?

Mr. HOMEWOOD: No. We feel that the medical practitioner is eminently qualified to use and prescribe drugs and we do not have any aspirations to take over the entire field of healing. We leave drugs and surgery to our medical friends.

Mr. MCINTOSH: Under what circumstances would a veteran want the services of a chiropractor that he would not receive, say, in one of the D.V.A. hospitals?

Mr. HOMEWOOD: May I say that, as a naval veteran—I worked as a member of the naval forces in a physiotherapy department of the hospital in Halifax—certainly the manipulative procedures of chiropractic were not available to the members of the navy. Physiotherapy, the remedial exercises—that type of thing—is available.

Mr. MCINTOSH: Just to follow up that question: do you believe that in your profession you have a treatment that is not available, then, in a D.V.A. hospital?

Mr. HOMEWOOD: I think so, yes.

Mr. MCINTOSH: That is beneficial to the veteran?

Mr. HOMEWOOD: Yes.

Mr. MCINTOSH: Have you cases that you can cite where a D.V.A. hospital has not been able to help them, and you have?

Mr. HOMEWOOD: Well, it has been some little time since I practised personally, but during my days in practice, I have. I could draw from my records, which I still retain, the veterans that have been in Sunnybrook and in Christie Street, when it was active, who were handled in my office, successfully, I might say. And I think I could provide some where I was not successful too.

Mr. MCINTOSH: Have you testimonials to that effect?

Mr. HOMEWOOD: I have never sought testimonials; but, no doubt, we could obtain them if it was the wish of this committee.

Mr. BATTEN: May I ask the doctor this question: after a student has been at your institute for four years and assuming that his work there has been satisfactory, he receives a degree, is that right?

Mr. HOMEWOOD: He receives a diploma. We are not part of the university.

Mr. BATTEN: That is what I am getting at. Is this diploma recognized by other institutes of education, either academic or professional?

Mr. HOMEWOOD: In a limited way. Some of our graduates have gone to the University of Toronto, as one example, and have been able to get some credit allowed them on the basis of the work they have undertaken with us. There is not a broad acceptance, and I do not mean to imply that. We have not succeeded in that yet.

Mr. BATTEN: Is that granting of credit to one of your graduates by some other university—is that only for Toronto University or has it been done in all the provinces that have medical universities?

Mr. HOMEWOOD: I do not know of other examples I could cite.

Mr. WINKLER: I would like to ask the witness, on the basis of the number of referrals you referred to from medical practitioners, do you have any idea at the moment if these people come to you on the basis of the diagnosis of a medical practitioner, or do they come on the basis of requiring physiotherapy?

Mr. HOMEWOOD: I think many of the cases that are referred are low back injuries. They have gone to a physician and he has diagnosed what he felt the condition was. Our peculiar form of approach was indicated to be needed and they have been referred to us.

Mr. WINKLER: What does "low back" mean? Could you qualify that?

Mr. HOMEWOOD: There are so many problems in this lower area of the spine, including the five lumbar vertebrae and the sacroiliac structures, the joints and associated structures.

Mr. MACRAE: Because this is the Veteran Affairs committee, and veterans are being treated by chiropractors—perhaps this can only be a rough estimate—I would ask Dr. Sutherland, how much veteran's work are you getting? Are you getting many veterans, and do many come to chiropractors?

Mr. SUTHERLAND: Yes, I would say there is a large number. I am sorry I cannot give you a definite figure on it, but no doubt it could be obtained in a survey.

Mr. MACRAE: It might be as well, I was thinking, Mr. Chairman, for the association to know that, because they undoubtedly will be here again, if it should be they are not successful this time, and I think it is a very pertinent factor.

The CHAIRMAN: Do you suppose you could obtain that and send it to us by mail?

Mr. SUTHERLAND: Yes.

Mr. WEICHEL: I would like to ask you, doctor, if your college in Toronto is supervised by and its upkeep is entirely the concern of your association?

Mr. SUTHERLAND: Yes, that is right. We have a board of directors consisting of 15 members. They represent all of the provinces. Then there are nine of those members who are in Ontario, and they form a board of management. The directors set policy; management oversees the operation; and we of the administrative staff carry it out.

Mr. WEICHEL: You are recognized by the medical association today?

Mr. SUTHERLAND: Let us say they know we exist. I do not think you would say that we are "recognized."

Mr. BEECH: I notice at the end of the brief they say they have many referrals from medical doctors. I was going to ask, Mr. Chairman, to what extent to these referrals run?

The CHAIRMAN: I take it some of the doctors do not advertise that too much.

Mr. SUTHERLAND: We conducted a survey—I believe it was in 1956—and the results of this survey indicate that, I believe it was, 83.7 of the chiropractors have received referrals at one time or another. That does not mean they receive them every week, but this percentage have received referrals from the medical profession.

Mr. BEECH: While they do not recognize you?

Mr. SUTHERLAND: That is something we have been acutely aware of in the last few years. There is a definite increase in recognition at the individual level.

Mr. PETERS: I would like to ask you this: as I remember it, a few years ago the medical profession was very much opposed to the Ontario compensation board recognizing chiropractors.

The percentage at that time, in some areas, particularly with regard to back injuries—there were many of the people having these back injuries who went to chiropractors. Is the amount coming from the D.V.A. proportionate to what came from compensation?

Mr. SUTHERLAND: Do you mean the number of veterans we would be treating?

Mr. PETERS: Would there be as much call from veterans for this type of service as there was from compensation injuries?

Mr. SUTHERLAND: I hardly think so; I do not think there would be. The amount of work we are doing for the compensation board has increased in the last four or five years. I have forgotten whether it is four or five, but it has increased by 25 per cent in Ontario. We have a permanent liaison officer who meets with the board there once every week or so, to handle problems as they come up; and our relationships with the board are very fine, and they have been improving markedly in the last few years.

Mr. PETERS: Would not this indicate there had been an acceptance by the Ontario board, which was not true four or five years ago? Has there been an increased acceptance by medical practitioners on that board for the work you do?

Mr. SUTHERLAND: I will say there has been an increased acceptance of our work by the board. There are two laymen on the board and one medical practitioner, in Ontario; and there are points of conflict which crop up every now and again. But I think our treatment has been recognized by the board since 1933, or thereabouts. About five or six years ago they increased their recognition to include X-ray films of the spine taken by chiropractors, and they have paid for those films since that time.

Mr. ORMISTON: It was mentioned that patients from Sunnybrook and Christie Street hospitals had been treated by chiropractors after they felt their treatment at military hospitals had not been satisfactory. How many of those patients have you felt to be suffering from neurosis as well?

Mr. HOMewood: It is seven years since I have practised, and I cannot recall on the basis of that length of time what number I would have. I would not like to answer that question.

Mr. WINKLER: On the basis of the answers given in regard to the questions put by Mr. Peters, regarding Workmen's compensation work done by your profession, this increase in referrals would be under the supervision of the board—would that be right, or is it under the supervision of the medical staff of the board?

Mr. SUTHERLAND: The increased work we are doing for the compensation board?

Mr. WINKLER: Yes.

Mr. SUTHERLAND: In Ontario the worker has a free choice of going to a chiropractor or physician, and it is the workers' choice which has given rise to this increased work. There are now more workers going to chiropractors.

Mr. WINKLER: Do these people come to you after they have had done other work by the board?

Mr. SUTHERLAND: Not necessarily.

Mr. WINKLER: Do you find this might be the case? Do they come to you following previous visits to the board, or under the direction of the board's services?

Mr. SUTHERLAND: No, I would not say so.

Mr. WINKLER: They come directly.

Mr. SUTHERLAND: They come directly, on their own.

Mr. PETERS: Mr. Chairman, on this point, in the industry I work in, in the mining industry, there is a high rate of back injuries. Previously people realized they got better treatment than they did from the medical practitioners, and they paid their own bills. Now these people are going to chiropractors and are being paid for, instead of going to the doctor and being referred.

Mr. THOMAS: I would like to ask a question regarding diagnosis, Mr. Chairman.

Does the association of the chiropractors place any restrictions on their members, when it comes to diagnosis? We will say a patient goes into a chiropractor's office, with something the matter with him or her. Are there any restrictions placed on that chiropractor? Is that chiropractor free to give a diagnosis to that would-be patient?

Mr. SUTHERLAND: He is not only free to, but is obliged to. We had a court case in Ontario two or three years ago, where a chiropractor was fined \$17,500 for failing to make a diagnosis. One of the examinations necessary for licensing in the province is diagnosis. The chiropractor is trained and educated in college to establish a diagnosis, so that he will know whether the case is within his own field or whether he should refer it elsewhere. Of course, there are certain specific diagnostic procedures which we do not do, which are in specialized fields, of course, and possibly the average general practitioner would not do them either.

Mr. THOMAS: Who would levy that fine?

Mr. SUTHERLAND: This was a suit in court, where the patient sued the chiropractor.

Mr. THOMAS: It was not a fine but a civil judgment?

Mr. SUTHERLAND: That is right.

Mr. FORGIE: May I ask the witness this question? If you cannot establish the diagnosis, then you pass the case on to the medical profession?

Mr. SUTHERLAND: Yes, I would say so. If you cannot decide what is wrong with the patient you would refer him to a diagnostician.

Mr. FORGIE: You state that in the brief.

Mr. SUTHERLAND: Yes, we have that in the brief, that we would refer them.

Mr. ROGERS: Would it be fair to state that the D.V.A. do not refer any cases directly or indirectly?

Mr. SUTHERLAND: That the D.V.A. do not refer them?

Mr. ROGERS: Yes.

Mr. SUTHERLAND: I would say that is a true statement.

Mr. LENNARD: Mr. Chairman, I would move this brief be considered before we make our final report, and I might suggest that in the meantime perhaps these gentlemen could give you this further information which they could not give this morning. It would give them enough time to do that, I feel. Certain statistics we asked for this morning, which were not available, they might be able to send to you before we consider this brief later on this session.

The CHAIRMAN: We are not likely to be making a report very soon, so that will give the doctor plenty of time.

Mr. LENNARD: That is what I mean.

Mr. WINKLER: There is one final question I would like to ask. I would like to establish this, since Dr. Crawford is here with us: I would like to ask the doctor, does he consider physiotherapy—and maybe I asked this before and I have forgotten—but does he consider the physiotherapy treatment available at veterans' hospitals sufficient for our requirements?

The CHAIRMAN: You are putting him on the spot.

Mr. WINKLER: No, I am not, not a bit.

Dr. CRAWFORD: I think I can answer that, Mr. Chairman, by saying that I consider that our departments of physiotherapy in our hospitals are adequate to do everything that physiotherapy can do.

Now, the two witnesses will immediately take that up and say there are things that they can do which physiotherapy cannot do. This is possibly true.

Mr. WINKLER: You have answered my question, doctor.

Dr. CRAWFORD: Yes, but I think I must expand on it a little, if I may, because there are other departments involved, the departments of psychiatry and general medicine, and so on, all of whom come into this whole picture.

In the total global picture of the hospital treatment staffs that exists now, I can quite safely say that I believe we can, in our hospitals, produce the results, using all these facilities, which can be produced any place else.

Mr. PETERS: What objection would the doctor have in prescribing chiropractic treatment rather than therapy treatment in hospital? We realize one is given in hospital and the other is not. But if one is going to be given outside the hospital, what is the objection to the recommendation for one if you recommend the other in hospital, if they both do the same thing?

Dr. CRAWFORD: This will take some time to answer, and I will try and be as brief as I can, and put it in this way: my job is to hold together a treatment service. I am quite prepared to go to any length to keep that treatment service efficient and operating at its highest capacity. In order to do this, I am depending, at the present time, on the members of the orthodox medical profession. We think we have chosen, throughout Canada, the very best of this kind we can get. They are men of very high ethical standards, and are men engaged in teaching in universities.

I am advised by the spokesmen for organized medicine that it is regarded as unethical to associate with a chiropractor in the treatment of a patient or to refer patients to him. I am rather surprised at this figure of 83.6% and I think it would bear a lot of examination before it was accepted holus-bolus.

This being so, and considering the type of medical doctors we have on our treatment staff, and their respect for ethics, I think you cannot mix chiropractic with orthodox medicine at the present time. This may come.

The field of medicine has accepted strange bedfellows all along, and the pattern of practice has changed; but in sixty years, so far, orthodox medicine has not found anything in the practice of chiropractic which it can absorb itself.

We are proud of the accreditation of our hospitals, and we depend on it for internes and residents, and so on. I have been assured that if we allow chiropractic as a method of treatment in our hospitals we will lose our hospital accreditation.

My antipathy to the use of chiropractic in our treatment services is dependent entirely on my attitude towards the maintenance of the service as such.

Mr. PETERS: May I ask a supplementary question? The doctor has no objection and does not disagree with anything they do; but it hinges on the question of hospitals, as I understand it, and I may be wrong—

The CHAIRMAN: Mr. Peters, we have been sitting two and a half hours, and our reporters are getting pretty tired. I think that any question that might be asked of the doctor when we are going over the estimates might be deferred today.

Mr. WINKLER: This question is for the witness, and it is only to balance my previous question.

The CHAIRMAN: I am sorry to cut anybody off.

Mr. WINKLER: It is a very brief answer that may be given.

The CHAIRMAN: All right.

Mr. WINKLER: I would like to ask the witnesses—and either may answer: can you tell us, are any of the men in your profession accepted for treatment work in any hospital?

Mr. SUTHERLAND: No, not officially. The answer is "no".

Mr. WINKLER: That is all.

Mr. SUTHERLAND: That is, in Canada.

The CHAIRMAN: Thank you very, much, Dr. Sutherland and Dr. Homewood.

I would like to make this announcement: we had a meeting this morning of chairmen and so far, although the minister would like that changed, we have been given Thursday from 11 until 1; and we have to stay within our hours pretty well, so we will not be meeting at 10 o'clock next Thursday morning, but at 11 o'clock. If there can be any other arrangements made we will have to announce them later.

Thank you very much, gentlemen.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE

ON

VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 2

THURSDAY, MARCH 17, 1960

ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961

WITNESSES:

From the Dominion Council, War Amputations Association: Mr. Alan L. Bell, Honorary Dominion Secretary; Judge Crowell; and Messrs. J. Agnew and K. Butler; *From the Department of Veterans Affairs:* Mr. L. Lalonde, Deputy Minister; and Dr. J. N. B. Crawford, Director General, Treatment Services; *From the Canadian Pension Commission:* Mr. T. D. Anderson, Chairman.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, March 17, 1960.
(3)

The Standing Committee on Veterans Affairs met at 11.05 a.m. this day. The Chairman, Mr. Montgomery, presided.

Members present: Messrs. Badanai, Beech, Benidickson, Cardin, Carter, Clancy, Dinsdale, Fane, Forgie, Herridge, Lennard, Macdonald (*Kings*), MacEwan, MacRae, Matthews, McIntosh, Montgomery, O'Leary, Ormiston, Parizeau, Peters, Robinson, Rogers, Speakman, Stearns, Stewart, Thomas, Weichel and Winkler—29.

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. F. T. Mace, Assistant Deputy Minister; Dr. J. N. B. Crawford, Director General, Treatment Services; Messrs. G. H. Parliament, Director General, Veterans Welfare Services; J. E. Walsh, Director, Finance, Purchasing and Stores; J. G. Bowland, Research Adviser; G. L. Mann, Welfare; C. F. Black, Departmental Secretary, G. S. Way, Information Services; T. D. Anderson, Chairman, Canadian Pension Commission; and Mr. F. J. G. Garneau, Chairman, War Veterans' Allowance Board; and from the Dominion Council, War Amputations Association: Judge Crowell, Mr. Alan L. Bell, Honorary Dominion Secretary; J. Agnew, and K. Butler.

The Chairman observed the presence of quorum and introduced Mr. Bell, who in turn introduced Judge Crowell and Messrs. Agnew and Butler.

Mr. Bell, on behalf of the Dominion Council of the War Amputations of Canada read a brief, copies of which were distributed to Members.

Questions relating to the subject were answered by Messrs. Bell, Butler, Crowell, Anderson, Lalonde, Agnew and Dr. Crawford.

Mr. Benidickson requested that references in the brief relating to the recovery by the Federal Treasury of accident awards to veterans' widows and the proposed payment of the full Pension for one year after the death of the veteran be brought to the attention of the Minister of Veterans Affairs.

The Chairman again called Item 457—General Administration—and statistical material prepared by the Department was distributed to Members.

On the motion of Mr. Carter, seconded by Mr. O'Leary,

Resolved,—That 6 documents provided by the Department of Veterans Affairs and distributed to members be printed as appendices to this day's record. (See appendices A-E.)

The Chairman read the report of the Subcommittee on Agenda and Procedure as follows:

WEDNESDAY, March 16, 1960.

The Sub-Committee on Agenda and Procedure met at 3.30 p.m. this day, the following members being present:

Messrs. Montgomery, Pugh, Lennard, Cardin, Herridge and Dinsdale.

STANDING COMMITTEE

Your Sub-Committee discussed, at some length, representations received from the Non-Pensioned Veterans Widows Association, and recommends as follows:

That the travelling and other expenses incurred for attending before the Committee on March 10th, 1960, be paid to the delegates of the Non-Pensioned Veterans Widows Association, namely, the Mrs. Wainford, Douglas, Cooper, Hickey, Mortimer, Hills, Wheaton, Robinson, Jacob and Hampsen.

Following discussion Mr. Forgie moved, seconded by Mr. Macdonald (*Kings*), that the report be adopted. The report was adopted.

At 12.25 p.m. the Committee went into executive session and at 12.35 p.m. adjourned to meet again on Thursday, March 24th.

J. E. O'CONNOR,
Clerk of the Committee.

EVIDENCE

THURSDAY, March 17, 1960.

The CHAIRMAN: Gentlemen, will you come to order, please. We have a quorum. In fact, we have more than is required to constitute a quorum, and I am very pleased how well the attendance is being maintained during the hearings of this committee.

We received word yesterday that the delegation from Newfoundland, which was supposed to be here this morning are snowbound and will not be present. However, we have the representatives of the War Amputations of Canada, headed by Mr. Alan Bell.

We are very pleased to welcome you this morning gentlemen and we will proceed at once with the hearing of your brief.

Mr. WEICHEL: Mr. Chairman, as an amp from the first war I would like to extend a hearty welcome to all my pals. I believe they are all Irish this morning; this is something which I cannot claim. I was asked this morning what I was. I said I was half Irish; they asked me what the other half was, and I said ginger ale. Gentlemen, I am glad you are here, and I hope you will be my guests after the meeting is over.

The CHAIRMAN: Mr. Bell probably needs no introduction as a good number of the members know him. At this time I will call on Mr. Bell and ask him to introduce the gentlemen who are with him. I would ask that each member stand as he is introduced.

Mr. ALAN BELL (*Honorary Secretary-Treasurer, Dominion Council, War Amputations of Canada*): Mr. Chairman and gentlemen; good morning. I would like to introduce the members of the dominion council of the War Amputations of Canada who are with me today. They are Jack Agnew, from Vancouver; Judge K. L. Crowell, from Ridgetown, Nova Scotia and Keith Butler, from Kitchener. As you know, we are one short; Patty Lambert is away this winter and cannot be with us today. Also missing today is Frank Chauvin, from Windsor. He has been grounded since one o'clock yesterday afternoon.

If I may, gentlemen, I would like to read the brief to you at this time. It has been distributed.

We welcome this opportunity to place before you some of the matters which are of the greatest concern to our membership—which at present totals about 2,600 major war disabled cases. Our potential membership is approximately twice this number but, mainly because of geographical displacement, the smaller number only are registered as active members of our branches. Our membership is decreasing annually through death, at a rate which indicates clearly that time is running out rapidly for most of our World War I members and, indeed, for many of our members of World War II. At our convention last October we paid tribute to 130 who had died in the previous two years.

We had anticipated appearing before you this spring in a more cheerful mood, in view of statements made in minutes and proceedings and evidence, No. 16, of the Standing Committee on Veterans Affairs, dated June 1959, and of statements made subsequently to the effect that it was hoped to review the Pension Act this year.

Quite naturally, therefore, we are keenly disappointed that no such provision has been made in the announced legislative program for this session of parliament. We are hopeful, however, that the problems of our major disability group, which we present to you today, will result in a strong recommendation from this committee that the government take immediate action to alleviate them.

Pensions—Basic Rate

It has been said by this committee that compensation for war disabilities incurred in the service of one's country is the core of any veterans' program. Canada's military performance in the two world wars is one of the chief reasons for the growth of our prestige and influence in world affairs. Perhaps it is a reason for celebration that Canadians fought so bravely and effectively in two world wars. Perhaps it is a reason for regret and mourning that we had to fight these wars at such great cost. Part of this cost was paid by many in one grim payment; others are still paying in day by day instalments, which will continue for the remainder of their lives.

Forty-two years have passed since the end of the first world war, and fifteen years since the conclusion of the second. It appears that the further away we get from them, the greater is the necessity to remind those responsible for the welfare of the war disabled of the problems and needs of these veterans.

Many of our war disabled have had the determination and fortitude to obtain and hold gainful employment, despite their disabilities. It should, however, be recognized that these people never know from day to day how long they will be able to continue working, particularly as they grow older and their disabilities become more difficult to bear. We do not believe that the place to save money in either a period of inflation or a program of economy is in veterans' legislation. We feel confident that the public of Canada share this view, and that they expect some early governmental action to amend the Pension Act.

When war disability compensation was first instituted, it was intended that the basic rate for a 100 per cent pension would be approximately equal to the minimum average earnings of unskilled labour. The present maximum war disability compensation is \$150 per month. The present minimum average earnings of unskilled labour is \$250 per month (D.B.S. figure). The present maximum pension, therefore, is equivalent to 60 per cent of the present minimum average earnings of unskilled labour.

We do not ask that the total war disability compensation be brought completely into line with the labour rate. We believe that our recommendation is more realistic, as it calls for an increase which would only raise the basic rate to the equivalent of 80 per cent of earnings of unskilled labour, and thus mitigate some of the disparity evidenced above.

We strongly recommend, therefore, an increase of 33½ per cent in the war disability pension across the board.

Pensions—Syme's Amputation

These amputation cases are assessed for pension purposes at the rate of 40 per cent. These cases are often referred to as "foot" amputations.

The table of disabilities establishes definite degrees of disabilities, apparently upon the surgical premise that the lower the amputation, the less is the disability. Conversely, the higher the amputation, the higher is the disability up to a maximum of only 100 per cent, despite the fact that some of our members are 200 per cent and 300 per cent disabled in the double and triple amputation cases.

In recent discussions with departmental officials, we have urged that the table of disabilities be reviewed in the light of present day conditions. It is our contention that the Syme's amputations are, in most cases, just as disabling as other below knee cases, and should be assessed at the same rate, namely, 50 per cent. All of them wear artificial appliances which affect the stumps, and can be equally irritating and painful, regardless of the site of the below knee amputation.

We recommend, therefore, that pension for Syme's amputation cases be increased to the rate of 50 per cent.

Pensions—Widows

It is apparent that, when establishing legislation for the War Veterans' Allowance Act, special consideration was given to widows of recipients of these benefits which is not extended to widows of those receiving benefits under the Pension Act.

The discrimination arises in this way. Upon the death of a married war veterans' allowance recipient, his widow receives allowance at the full married rate for one year following the death. The widow of a person pensioned under the Pension Act does not receive any such supplementary benefit.

It must be conceded that all widows, regardless of the type of legislation which provides compensation, are equally in need of assistance during the difficult period of adjustment following the deaths of their husbands. We feel certain that it never was intended to approve legislation which, in effect, establishes types or classes of widows.

We, therefore, recommend that widows of those pensioned under the Pension Act at the rate of 60 per cent or more, receive the full married rate of compensation in pay at the time of the death of the pensioner for a period of not less than one year following the death of the pensioner.

Pensions—Damages Accidental Death

The present legislation (Sections 20, 21 and 22 of the Pension Act) produces curious and anomalous results.

A pensioner, severely injured in an accident caused by the negligence of another, is able to sue such other person and, presumably, recover from such other person damages for his out-of-pocket expenses, pain and suffering, and such measure of disability as is attributable to the accident. In this situation there is no claim by the government of a right of assignment of these damages in lieu of pension for a separate non-rated disability. There is no set-off damages in substitution for war disability compensation.

Should the pensioner, however, die as a result of such accident, the situation is completely changed. Present legislation provides that if his widow is successful in obtaining damages because of the accidental death of her husband, such damages are not to be the property of the widow. They are the property of the Government of Canada. If the widow takes such damages for her personal use, she must suffer a commensurate reduction in the compensation to which she is entitled *as of right* as the widow of such pensioner.

It is, therefore, strongly recommended that immediate action be taken to amend the relevant sections of the Pension Act, to provide that damages arising out of the accidental death of a pensioner shall not be taken into consideration in relation to payment of pension to his widow.

Conclusion

We believe that over the years, presentations by our association to the Government of Canada have been both reasonable and realistic. Consequently, today we have attempted to bring to your attention those matters which are

of the most urgent importance to our membership, and which require immediate action.

We feel sure that Canadians, generally, have been satisfied with the Governmental legislative programs which have safeguarded the welfare of Canada's veterans. We are equally sure they realize the time has come when, in order to continue this policy, legislation must be enacted to bring the Pension Act in line with current conditions and the present needs of the war disabled.

We wish to express our appreciation of this opportunity to present our views, and for your courtesy in receiving us today. If you have any questions, or would like further information concerning the points covered in our brief, we shall do our best to be helpful.

The CHAIRMAN: Thank you, Mr. Bell. Now, gentlemen, are there any questions? We are now open for questions.

Mr. SPEAKMAN: I would like to ask Mr. Bell why the figure is 60 per cent for pensioned widows? You say at the bottom of page 4:

We, therefore, recommend that widows of those pensioned under the Pension Act at the rate of 60 per cent or more, receive the full married rate of compensation in pay at the time of the death of the pensioner for a period of not less than one year following the death of the pensioner.

Why not 50 per cent?

Mr. BELL: Mr. Chairman, and gentlemen: if I may reply: the widow of a 50 per cent pensioner actually gets more than the married rate of pension on the death of her husband. Anybody from 60 per cent up gets less than the married rate.

Mr. SPEAKMAN: Thank you very much.

Mr. WEICHEL: At the beginning of your brief you say that there are about 2,600 major war disabled cases. Would it not be more likely about 6,000 including the blind, the paraplegic, and the disabled?

Mr. BELL: Mr. Chairman, we do have the actual record of the active members, numbering 2,600, and we calculate that it is somewhere between five and six thousand actually.

Mr. WEICHEL: I think the department should have those figures. I think at one time I got a figure from the department of 6,000.

Mr. BELL: If we had the paraplegics, yes, I would say it would be about 6,000.

Mr. BENIDICKSON: I know Mr. Bell always prepares a very impressive brief, and he has done so again today; but I wonder whether he has by accident or design added a little extra influence to his brief with this green document case before him now to appeal to the many Irishmen among committee members on St. Patrick's day.

The CHAIRMAN: Are there any other questions?

Mr. HERRIDGE: I would like to ask Mr. Bell this question. It is not based on anything contained in the brief, but is your association perfectly well satisfied with the services rendered by the department in the provision of limbs, or are there any suggestions you could make in respect to remedying any circumstances which have been brought to your notice?

Mr. BELL: Mr. Chairman and gentlemen, I like these questions by Mr. Herridge because they are always loaded. We had quite a discussion about prosthetic services at our last convention in October, and there was a great deal of concern expressed. But we have now more than ever before established very close liaison with the department, and particularly with the treatment

services. We are constantly bringing our problems to the attention of that department, and we are satisfied with their present appliances and methods, and we are getting some action. We are satisfied with the co-operation we are getting. There are no remarks that we have to make other than to say that the department knows our needs and that the department is doing something about it.

Mr. BEECH: Mr. Hinton has told me that he has been fitted with a new type of limb and he is very enthusiastic about it. I wondered if that was the impression throughout your membership with respect to this new type of leg?

Mr. BELL: As you know, an artificial limb is, I guess, one of the most personal things there can be. Everybody has his own idea as to what he wants and what he needs. I have heard from Mr. Hinton and he is very pleased with his leg. I do not know how many are wearing similar types. Mr. Butler might like to elaborate on that score and I am sure he would be glad to be helpful.

The CHAIRMAN: Would you like to follow that up, Mr. Butler?

Mr. KEITH BUTLER (*Kitchener, Ontario*): I am familiar with this particular leg. It has a quadrilateral socket possibly. To the best of my knowledge they are limited to date in their use. It is in a sort of field test stage, and that is about the size of it. Dr. Crawford could speak of the actual number in use, but it is comparatively limited in number. I believe it has been found very successful by those who are using it.

Mr. HERRIDGE: In your brief on page 3 I notice mention of the fact that when war disability compensation was first introduced, it was intended that the basic rate for a 100 per cent pension would be approximately equal to the minimum average earnings of unskilled labour.

Your organization says however that the present maximum war disability compensation is \$150 per month, whereas the present minimum average earnings of unskilled labour is \$250 per month, thus the present maximum pension is equivalent to 60 per cent of the present minimum average earnings of unskilled labour.

Then you go on to say that you do not ask that the total war disability compensation be brought completely into line with the labour rate. You say that you believe your recommendation is more realistic, as it calls for an increase which would only raise the basic rate to the equivalent of 80 per cent of earnings of unskilled labour, and thus mitigate some of the disparity evidenced above.

Would it be correct to say that while you would expect complete justice on the original policy on which pensions were based, that the pension should equal the minimum average earnings of unskilled labour; yet in saying that this is more realistic, your organization is giving some consideration to the circumstances of the country at the present time and the cost of these things, and that you are willing to sacrifice 20 per cent of the pension, because your organization has consideration for the country's welfare in general?

Mr. BELL: I think that is correct. We have examined our present basic rate and given it very careful thought and study. I think the history of our presentations to the governments has been that we only ask for what we really believe we need. We never ask for more than we hope to get, knowing that we are going to get less. We always ask for what we want and what we need. That is why we ask for 33½ when we could have asked for 50 per cent or any percentage. But we believe that \$200 per month for a 100 per cent disability case is very vital.

Mr. FORGIE: They do not believe in asking what they are entitled to. The original transaction was that the rates would be predicated on the

rates of unskilled labour, but that is not being done here. I do not think it is a question of being realistic at all. I think it is a question only of asking for what you are entitled under the original deal.

Mr. WEICHEL: 50 per cent or more, and the widows get \$115; and you are asking for full pension for at least one year after. Does that get you the same rates as the war veterans allowance veterans? Can you give us some of the points why that is being asked for?

Mr. BELL: I think our main consideration here is that we know this is the case with the widows of war veterans allowance recipients. We know that the first year particularly—certainly for any widow—is particularly hard for widows of war amputation cases, because it is more difficult to reach readjustment. We only ask that our widows receive the same entitlement during that one year period, and just for that one year period as is now granted to the war veterans allowance widows.

Mr. WEICHEL: I was hoping you would bring that point out.

Mr. O'LEARY: I want to go back to page 3 and ask Mr. Bell what a pensioner with one dependant receives? He has a wife, for example; he is a married pensioner.

Mr. BELL: May I refer to the book?

The CHAIRMAN: Yes.

Mr. BELL: I am sure Mr. Anderson will know. This is the case of a married man with a 100 per cent pension.

Mr. O'LEARY: A married pensioner, and he has a wife.

The CHAIRMAN: Without any dependants.

Mr. O'LEARY: I call his wife a dependant.

Mr. BELL: Mr. Chairman, to answer the question: in the case of a married 100 per cent pensioner and his pension, of course, the basic rate is \$150 a month, which brings it to \$1,800 a year, plus \$600 a year if he has a wife, making a total of \$2,400 a year, or \$200 a month.

Mr. CARTER: I suppose my question should be directed to Dr. Crawford. Are all amputations between the knee and the ankle assessed at the same rate of disability?

Dr. J. N. B. CRAWFORD (*Director General, Treatment Services, Department of Veterans Affairs*): This is not my problem. This is a matter for the pension board.

The CHAIRMAN: Perhaps Mr. Anderson could answer.

Mr. T. D. ANDERSON (*Chairman, Canadian Pension Commission*): No, they are not. There is a difference depending on where the amputation occurs.

Mr. CARTER: Where does the 40 per cent one come?

Mr. ANDERSON: I would have to check the table for that. I could not tell you offhand.

Mr. HERRIDGE: Mr. Chairman, I would like to ask Mr. Bell this question. Since the table of disabilities has been made a public document—it was made a public document some years ago—has it been of some assistance to your organization to review the table of disabilities in order to provide a sound base for criticism of the same or recommendations for adjustment?

Mr. BELL: I am going to be honest, sir. I have never seen a table of disabilities because during my period of living in Ottawa I could never get at it; it was not a public document at that time. In my present position of honorary dominion secretary of war amputations I have never seen the table of disabilities. But most of our members are familiar with it in one way or another and we rely heavily on them for their advice.

We do believe, generally, that it needs to be brought up to date, without trying to be specific about any section of it. We feel the table of disabilities should be reviewed.

Mr. CARTER: I have not got my answer yet, Mr. Chairman.

Mr. ANDERSON: I think I might say, Mr. Chairman and gentlemen, that the table of disabilities is pretty well under review constantly—various parts of it, are changed from time to time. To answer that question directly, the Syme's is 40 per cent:

Mr. CARTER: Is that below the ankle?

Mr. ANDERSON: Yes, the Syme's amputation is rather of across the ankle. I prefer to have a doctor describe it, because I am not familiar with it. As I understand it, however it is through the ankle.

Mr. CARTER: May I ask how many different assessments there are between the knee and the ankle?

Mr. ANDERSON: There are quite a number, because you get assessments for quite a variety of things; stiffness of the ankle, stiffness of the knee, and many other leg disabilities.

Mr. CARTER: I am just talking about amputations.

Mr. ANDERSON: They are not listed specifically here, because they are all set forth in the table of disability according to the various types of disability incurred. So that there is only one rate, actually—I should not say that; there is not just one rate between the ankle and the knee, because there are a variety of rates. It will take a few minutes to sort them all out—they are somewhat mixed in the table.

Mr. HERRIDGE: Could the chairman of the pension commission inform us if the amendments to the table of disabilities are made public as the table is amended.

Mr. ANDERSON: They are now. Whoever has a copy of the table of disabilities also receives copies of the amendments as they are prepared.

Mr. BENIDICKSON: I know that the "amps." association in presenting this brief has brought statistics up to date—which some of us may not have done—and on page 3, with relation to the basic intent to have compensation based on the minimum average earnings of unskilled labour, Mr. Bell in his brief quotes a D.B.S. figure in that connection as being now \$250 per month.

Just to save the rest of us from any verification of this, would Mr. Bell just give the source of the D.B.S. publication that confirms that.

Mr. BELL: I believe, Mr. Chairman, to answer the question, that this appeared in one of the weekly reports from D.B.S. on the labour rate in January. I am sorry that I do not know.

Mr. BENIDICKSON: It is the average weekly wage rate put into a monthly basis?

Mr. BELL: This is correct.

Mr. CARTER: Mr. Chairman, I want to come back to my former question on the different assessments of amputation. On page 3, the next to bottom paragraph says:

The table of disabilities establishes definite degrees of disabilities, apparently upon the surgical premise that the lower the amputation, the less is the disability.

I would assume that you mean that if a man had an amputation six inches below the knee he would have a smaller disability than if it were two inches below the knee, or something like that.

I wonder if that is purely a generalization, or whether that is in actual fact the case, because from what the chairman said there are other factors which come into play. I would like to have that cleared up.

The CHAIRMAN: In other words, is it possible to have a 100 per cent pension with one amputation, one leg?

Mr. CARTER: Yes.

The CHAIRMAN: Is that what you had in mind?

Mr. CARTER: That is what I am driving at.

Mr. BELL: Mr. Chairman and gentlemen, I think we are both right, Mr. Anderson and ourselves. It is our understanding that amputations are clearly assessed: they are 40 per cent, 50 per cent, 45 per cent and 60 per cent. In the case of an above knee amputation, for example—just above the knee; the lower third, as they call it—it is automatically 70 per cent. The majority of our below knee amputations, with the exception of the Syme's, are 50 per cent. Some of them are 55 per cent, and some of them are 60 per cent, depending upon the condition of the stump, the type of surgery and so on. But the majority are 50 per cent if they are below knee, except the Syme's, which is sometimes also known as disarticulation of the ankle—you do not have the use of the ankle, but the surgery was through and the stump worked, and so on. They are 40 per cent. We think they should be 50 per cent like the other below knee cases, because—

Mr. CARTER: You do not see much difference between losing an ankle and losing an inch above the ankle?

Mr. BELL: We see no difference.

Mr. CARTER: No; I do not see any difference either.

Mr. CLANCY: I would like to get back to this question. A 100 per cent pensioner gets \$1,800 and \$600 for his wife. Is the allowance for a wife scaled down according to the percentage of the pension? I mean, if a man gets 50 per cent pension, does he get \$300 for his wife, or does he still get the \$600?

Mr. BELL: It is less.

Mr. ANDERSON: Whatever the percentage of the pension is, that is the rate.

Mr. CARTER: That is the allowance.

Mr. WEICHEL: Mention was made of the amputation below the knee, and they say it does not matter where it is. The president, Jack Johnson, of the Toronto branch has his foot off, and I would say that in 25 years he has probably had more trouble with that than I have had with a seven inch stump. I think the argument there would hold up quite well.

Mr. BELL: As a point of information, we have asked the department, and they have agreed, to re-examine our Syme's cases, to take a look at the Syme's cases and tell us if in fact the Syme's is less disabling than other below knee amputations. This will take time, but they will carry out a study of our Syme's cases.

Mr. WEICHEL: We have to wear the harness and everything else just the same as the other chap.

Mr. BELL: Yes.

Mr. McDONALD (*Hamilton South*): What is the derivation of the term "Syme's"?

Dr. CRAWFORD: I can answer that question. Syme was the name of the Scotsman—a bad word on March 17—who first introduced this type of amputation, which ever since has been known as the Syme's amputation.

Mr. McDONALD (*Hamilton South*): I wish to ask a question on another point in the brief. There is not such a thing as a 200 per cent or a 300 per cent disability pension, is there? That just seems out of place.

Mr. BELL: We used those figures of 200 per cent and 300 per cent because it seems to us that amputation of two arms is more disabling than one arm; and two arms and one leg is even more disabling than one leg and one arm, which may be 100 per cent. Here we are just trying to make the point that you can only go to 100 per cent; no matter how many limbs you have, you cannot get more than 100 per cent.

Mr. McDONALD (*Hamilton South*): I have another question, with regard to the submission of widows pensions for a year following the death of the recipient of the disability pension. That is a very interesting submission. I wondered if other veteran's organizations had made similar applications.

Mr. BELL: Not to my knowledge, Mr. Chairman. This arose for the first time, I may say, at our convention last October. It was a very, very strong recommendation from one of our branches and it certainly carried unanimously. To my knowledge no other organization has brought this to the attention of this committee or the government.

Mr. THOMAS: Mr. Chairman, I would like to ask Mr. Bell if that recommendation would not imply the complete elimination of the means test in connection with pensions?

Mr. BELL: I do not think so, Mr. Chairman.

The CHAIRMAN: Is there a means test?

Mr. BENIDICKSON: What means test?

Mr. THOMAS: Veterans welfare allowances are always—

The CHAIRMAN: That is under the war veterans allowances. These are pensions cases.

Mr. BEECH: I think that is the point they are trying to make in their next paragraph here, pensions, damages, accidental death, because if any widow is successful in obtaining these damages, they are taken away from her. That would imply that the pension is under a means test. I think that is the point you are trying to make there, is it not, Mr. Bell?

Mr. BELL: It would appear that in our resolution on damages for accidental death, under the present legislation there is a means test. We do not think there should be one.

Mr. STEWART: May I ask Mr. Bell this question, Mr. Chairman. With due respect to His Honour the Judge, to implement your suggestion on page 5 regarding damages for accidental death, would it not involve consultation with the provinces so that their fatal accidents acts could be amended—Lord Campbell's Act, so-called?

Judge CROWELL: I do not think that would come into it at all, because if the pension is taken away it goes to the federal government, not to the provinces.

Mr. STEWART: But some of the provincial acts take into account any pension in awarding the amount of damages; that is what I am getting at.

Judge CROWELL: Yes, but that is only damages with which the provinces may have something to do. This is something entirely different.

Mr. STEWART: I do not agree.

Judge CROWELL: You do not think so?

Mr. BELL: Perhaps it would be helpful if Mr. Butler could make a comment on this. He is in the insurance business.

Mr. KEITH BUTLER (*Member of Dominion Council of the War Amputations of Canada*): I think possibly that question might be well taken as far as a court is concerned.

Mr. STEWART: That is what I had in mind.

Mr. BUTLER: That some widow who was receiving a 100 per cent pension might not receive as much sympathy from the judge, or the jury, as the case might be, in the awarding of damages of some high amount. However, I do not think that has any real bearing on this resolution because under present circumstances, if I were killed by some careless truck driver my widow would have to decide within a short time of my death, after consultation with any lawyers who were handling my estate, whether she would take the, say \$20,000, in cash, and she would have to find out what the capitalized value of my pension to her would be for her life expectancy and balance the two against each other.

In other words, it is her decision as to whether the \$20,000 she is awarded because I was killed goes to the government or goes to her. This creates peculiar situations. If my wife were 35 years of age and she expected to remarry, it is quite possible that this \$20,000 would look pretty nice to her and she would take it with the expectation of remarrying within a period of time. If she did not, of course, she would have made the wrong decision because for the period of her lifetime, if she lived to be 70 years of age, she would get considerably in excess of that through the pension.

Secondly, as far as we are concerned we see no reasoning behind this whatsoever. At our last presentation this matter was looked into very much, due to the decision being made by the widow in regard to the awarding to her of the rightful amount by the courts, and given to the government, and it was somewhere around \$800,000 at that time. We cannot see any reason whatsoever why these funds should go to anyone except the survivors of the pensioner who has been killed. We have never had it explained really why this is in force—what the reason is for it. It is not used too much, but still it seems to me to be a very unfair thing that she should have to make this decision at any time and that she should have to give up something because her husband has been killed and his earnings have ceased, and so forth. It just does not seem right.

The CHAIRMAN: Would you care to comment, Mr. Anderson?

Mr. ANDERSON: Yes, I think I would like to say a word, Mr. Chairman and gentlemen.

I think the first thing you have to bear in mind when you are considering these three sections—sections 20, 21, and 22—is that they only come into effect when a veteran who has a pension of 50 per cent or more is killed in some sort of an accident, and as a result of that accident his widow is in a position to take action against a third party. I think we have to bear that in mind at all times.

Going back for just a minute, I think we should also remember that veterans are paid for disabilities suffered during wartime, or during service.

The introduction of the provision whereby the widow, when her husband was in receipt of a pension of 50 per cent or more, would receive a widow's pension is, of necessity, a welfare measure, so to speak. That is, the man has not died because of service, but the widow is entitled to it because he was a 50 per cent pensioner. She is entitled to the same pension as if he had been killed in action.

First of all, before I go any further, let me say this, that this is a legislative matter, that is a question of amending the act. I am not speaking either for or against the proposal at this moment. That is not my prerogative. That is a

question for you gentlemen to decide. All I am attempting to do is to explain to you the basis of this legislation and the purpose of it.

As I have said, the provision whereby the widow of a man who was receiving a 50 per cent pension shall receive a widow's pension on his death is a social welfare measure to a very large extent.

You all know, of course, if the man dies, of his pensioned disability regardless of what percentage he is receiving, the widow is automatically entitled to a pension. That is not quite so much a social welfare measure, but that pension stems from the entitlement of the pensioner himself and the widow and children have no entitlement.

Supposing this situation arose, where a man in receipt of a 70 per cent pension died, therefore on death the widow is automatically entitled to the widow's pension. But supposing he is killed in an accident in which his widow can take action against a third party and, perhaps, sue to the tune of \$100,000. The legislation simply provides that where that happens the state will not assume any responsibility.

If the total amount of the compensation awarded as a result of suing the third party is less than the total amount of the pension the widow would have received during her lifetime we pay the difference in pension.

If the total amount of compensation as a result of having sued a third party is more than the pension which would have accrued to her over her lifetime, then she does not get any pension.

I hope I have explained the legislation clearly. It is a little difficult to explain at times, but the whole basis of it is simply this: where the widow is eligible for a pension because her husband had a 50 per cent or greater pension, the legislation provides the state shall not assume responsibility if she can sue somebody else and get the equivalent or greater amount than she would have received if she had taken the pension.

It is difficult to explain, but I will be glad to try to answer any questions on it.

Mr. CARTER: In a case where the Canadian Pensions Commission pays the difference between what the widow receives and what she would be entitled to under the veterans act, is that payment made on a monthly basis?

Mr. ANDERSON: It can be either that, or on a cash basis.

Mr. CARTER: Should it be made on a cash basis and, in the course of time, the rates are revised so that she would be entitled to more at a later date, is there any revision in that cash amount?

Mr. ANDERSON: Yes, if she receives anything in the form of a pension at all.

Mr. CARTER: Even in a single cash settlement, five or ten years later she would be entitled to further payment, if there was a revision upwards?

Mr. ANDERSON: Yes. And I know of instances where cash settlements have been paid where the pensioner was entitled to less than 5 per cent, and when the rates are increased we pay him the difference.

Mr. BUTLER: Mr. Chairman, I wonder if I might add one word. On general court settlements, so far as any claims we handle are concerned, the usual basis of settlement when the person is killed is, to a large extent, what the expected lifetime earnings of the deceased are.

Mr. STEWART: In some of the provinces it is limited to ten years.

Mr. BUTLER: That is true, but as a general rule of thumb, whatever the period is, it is to replace, to some extent, anyway, the amount the deceased would have earned had he lived.

So far as social legislation is concerned, I still do not see any reason why when it is made on the basis of the earnings expected by the deceased, the

government should step in and take it, any more than in any other case. They are separate issues: the veteran has an entitlement now under the legislation separate from any other assets. For example, if I have a lot of life insurance the pensions commission or government does not say, "Now your wife does not need any pension." In that case, they pay it anyway, but if it comes from someone else it appears to be a different situation. If it comes from an insurance company insuring the person who caused death the government steps in on it. There are two different outlooks on it.

Mr. HERRIDGE: Mr. Chairman, might I ask Mr. Anderson a question?

The CHAIRMAN: Yes, Mr. Herridge.

Mr. HERRIDGE: Would the same situation apply if the widow inherited money from relatives, or something of that sort? Would she lose her pension on that account?

Mr. ANDERSON: No, the same situation would not apply. Sections 20, 21 and 22 only come into effect when the widow of the veteran who is killed takes action against a third party and collects damages. That is, she has already been compensated from one source for the identical thing she is seeking compensation for from another.

Mr. STEARNS: If settlement was made out of court, instead of going into court, and she received \$5 or \$10 thousand, the government would not come into it at all because there would be no court decision, is that right?

Mr. ANDERSON: That is a very good question. We probably would not even know about it.

Mr. WEICHEL: In the case of the rise in pension, would that include any changes at all in the widow's pension of \$115 a month? Are there any changes asked for in that, or would that be the same as now?

Mr. BELL: No, Mr. Chairman, not in the case of widows. Our recommendation only embraces present pensioners, their wives and dependent children.

Mr. HERRIDGE: Does your organization accept into membership all veteran amputees?

Mr. BELL: Mr. Chairman, any amputee who lost his limb, limbs or eyesight as a result of war service.

Mr. HERRIDGE: But no amputations other than limbs?

Mr. BELL: Or total eyesight.

We have positions for associate members in our organization, in the case of veterans who have received post-war losses of a limb or limbs. We admit them to associate membership, if they have served.

Mr. O'LEARY: Mr. Anderson, in your estimation of sections 20, 21 and 22, were you not, in effect, saying that the war pensioner's widow's pension is not by right but is a form of social legislation?

Mr. ANDERSON: No, I would not say that. It is paid as of right under the act, all right. All I said was it is a social welfare measure providing for her, particularly in the event where she receives it because the pensioner was in receipt of a 50 per cent or greater pension. If he dies of his pensionable disability then there is a slight difference. No matter what rate his pension is she gets the pension automatically. Where the pension is over 50 per cent the pensioner does not have to die of his pensionable disability. She is protected and in the circumstances that is a type of social legislation.

Mr. McINTOSH: I am wondering why the paragraph in respect of hospitalization treatment which was contained in the brief last year was left out of the brief this year. Is that because of the hospitalization plans? You mentioned last year that the question of free hospitalization and treatment of non pensionable disabilities of the war disability pensioners is one that has been of grave

concern to your membership for many years. This year that is left out of your brief

Mr. BELL: This is still a subject which is under very active consideration by our association and was considered at our last convention and approved. There have been so many changes in the provincial legislation in respect of hospitalization, however, that we did not put it into our brief this time because we are examining the present legislation province by province. We may have it in again next year; I do not know. We did think we should concentrate this time on the Pension Act primarily. We did not leave this other out because we are not worried about it any more.

Mr. MCINTOSH: Are there any other topics in the same category which you have not covered in this brief?

Mr. BELL: During the last convention, Mr. Chairman, we approved about 20 or 25 resolutions, but we feel that each time we appear before you we should pick on certain of our major resolutions. This time we decided that just these four on the Pension Act would be taken up, but we do have other problems and will be presenting them to you at a later date.

Mr. HERRIDGE: For the sake of information I would like to ask Mr. Bell another question. Is there a considerable percentage of amputee pensioners who suffer from discomfit or inconvenience from their amputations over a long period of years? I mean a matter requiring treatment and things of that sort.

Mr. BELL: Yes. There are quite a number who require continuous treatment because of stump conditions. There are others who let it go perhaps too long and they have real trouble. However, there is constant trouble with stumps requiring treatment.

Mr. BENIDICKSON: Would Mr. Anderson give us some estimate as to the amount in dollars saved by the denial of pensions to widows who receive compensation from a fatal accident law suit. What has been the value of this to the crown?

Mr. ANDERSON: I am sorry I could not give that offhand. I could get it.

Mr. BENIDICKSON: Someone made reference to an amount of \$800,000.

Mr. BUTLER: That is my memory of the figure from last year.

Mr. BENIDICKSON: Is that a cumulative figure?

Mr. BUTLER: Yes.

Mr. BENIDICKSON: That is what the crown has saved to date.

Mr. BUTLER: This is straight memory; I do not know. I would say it has not been a great deal, over the years.

Mr. BENIDICKSON: Also this is the item in respect of the request to make payments to widows during the first year after death on the same basis as it has been done under the War Veterans Allowance Act. This is a matter of policy, and as the minister is not present I think perhaps the chairman and the clerk might make a note of these two points. I think most of the members of the committee would like to have the minister explain the reasons for the fact that we have these stipulations in our administration.

The CHAIRMAN: You mean the basis for this.

Mr. BENIDICKSON: Yes. We have these requests and the officials are limited in the comments they can make. The requests look reasonable, but I think we should hear from the minister his reasons if he feels he cannot accede to the two requests being made in respect of the pensions to widows. There is the accidental death item and also the matter of payments to widows for the first year after death in a manner similar to that paid to widows of those under the War Veterans Allowance Act.

The CHAIRMAN: It may be that those are points which the department is considering in their review of the act.

Mr. BENIDICKSON: I think we should make it known that this is a matter about which the minister should be questioned at a later meeting.

Mr. ROGERS: As a matter of interest, who is responsible for establishing the classification of disabilities and are they reviewed from time to time?

The CHAIRMAN: I believe Mr. Anderson will answer that.

Mr. ANDERSON: As I said before the table of disabilities is under constant review and the rates therein are established by the pension commission.

Mr. HERRIDGE: Would the chairman of the pension commission mind seeing that those members of parliament who have copies of the table of disabilities also have copies of the amendments.

Mr. FANE: In addition might those of us who do not have a copy of the table of disabilities have such table and the amendments.

Mr. BENIDICKSON: Could it be appended to the reports of one of our meetings?

Mr. ANDERSON: This would be worth looking into. This was a confidential document until a few years ago when it was released. But I am not too sure of the terms. I will have to look into that first.

Mr. STEARNS: In respect of the pensions to widows, apparently under the War Veterans Allowance Act the widow receives the full allowance for a year. I would like to ask whether that was in the original act or whether it was adopted a few years ago?

Mr. LALONDE: I understand that was adopted in 1952 or 1954.

Mr. CARTER: My understanding is that when a pensioner with a 50 per cent disability pension or higher dies his pension is automatically continued; there is no interruption of the pension. Is that correct?

An Hon. MEMBER: Over 50 per cent.

Mr. CARTER: This recommendation applies to those under 50 per cent.

Mr. BELL: No. Our recommendation applies to widows of pensioners pensioned at the rate of 60 per cent or above and that for that one year period they should be placed on the same basis as widows of war veterans allowance recipients. After the end of the year they would resume the regular rate for the widow.

Mr. CARTER: What is the difference at the present time? When a pensioner dies and he has a pension of 50 per cent or over, what is the difference in respect of what the widow would receive now without this legislation?

Mr. BUTLER: If a widow had a 100 per cent pensioner for her husband when he was alive, on his death she would receive \$115 a month. That is the widow's allowance if she has no children. If our request were acceded to she would continue at the same rate as when he was alive, \$200 a month instead of \$115 for the one year period and that would be graded down depending on the percentage of pension.

Mr. BENIDICKSON: You state that the widow of a war veterans allowance recipient gets, for one year, the same amount she was getting just prior to the veterans death?

Mr. BUTLER: Yes.

Mr. LALONDE: That is subject to a means test.

Mr. BENIDICKSON: That allowance might change if there was insurance payable?

Mr. LALONDE: That is correct; or if she had other income.

Mr. BENIDICKSON: If she started out to work after the death of her husband and had an income different than she had prior to his death.

Mr. O'LEARY: If she had no other income, what would be the maximum she could receive?

Mr. LALONDE: The income ceiling of a widow, without dependents, is \$90 a month; the income ceiling of a married veteran is \$145 a month. So, for a period of a year, her income ceiling is \$145 a month instead of \$90. However, if she has income or other revenues which place her above the \$145 ceiling, she gets nothing.

Mr. BENIDICKSON: Presumably, income changes after the death of her husband. To make any change in her compensation within that year, she has to receive capital that she did not have prior to his death or start to work and get an income that she did not have prior to his death.

Mr. LALONDE: That is the basic difference between the widow of a pensioner and the widow of a war veterans allowance recipient, in that the widow of a pensioner can have other income and assets, which are not taken into account, but the widow of a war veterans allowance recipient is always subject to the means test imposed under the act. That means test is not based on a year automatically; she may be eligible for the first month after the husband's death, and not be eligible for the next eleven months during that year.

Mr. WEICHEL: I would like to ask Mr. Bell why the committee decided on 60 per cent instead of the 50 per cent or more, which included the widow up to \$115 a month?

Mr. BELL (Saint John-Albert): The answer is that in the case of the married couple at 50 per cent, on his death, she goes on the widow's pension and actually gets more than they were getting. The 60 per cent gets less. However, this is the only group between 50 and 60 where the widow gains financially on the death of her pensioned husband; the 60 per cent and over do not.

Mr. CARTER: In the case of a widow of a recipient of war veterans allowance who receives the full allowance for one year, is that widow still eligible to apply for assistance, subject to the means test, after that year has expired?

Mr. LALONDE: She can apply in her own right.

Mr. BEECH: Is the age of the widow, after the death of the husband, a factor in these payments?

Mr. LALONDE: It is not for the first year, but it is when she applies in her own right.

The CHAIRMAN: Do Mr. Butler, Judge Crowell or Mr. Agnew wish to say anything?

Mr. JACK AGNEW (Member, Dominion Council, War Amputations of Canada): The question of the Syme's amputation is of very great concern to the fellow who has this amputation. Now, if any of you gentlemen here have ever bumped your elbow and experienced that funny feeling that goes with it, you will know that it hurts and stings for a while. A Syme's amputation is the same. A man will be walking along—and, by the way, this is a long stump—and he will experience this constant pound, pound, pound. Consequently, after a while, it becomes irritating.

It is our feeling that the fellow who wears a Syme's amputation appliance needs an increase in his pension because of this condition—more so, I would say, than the fellow with an amputation below the knee. If a fellow has a seven-inch stump he can, to a certain degree, obtain a lot of comfort out of that. However, if you have ever seen the appliance for a Syme's amputation, you will know it is an ugly looking one. The boot has to be modified so that

the Syme's amputation can fit into the appliance. Our limbs are constructed in such a way that we have a contour in the calf of our leg. When they take the measurement for our prosthesis they take a measurement of your good leg, the upper extremities and the knees so that the two legs will be in conformity. But, on a Syme's amputation you do not. You have a lump—and that is your prosthesis—and modified boot. Dr. Crawford could tell you more about the fitting of the appliance. However, we are not satisfied that the Syme's appliance is being looked into and modified. As has been mentioned this morning, the department is investigating the Syme's amputations. However, gentlemen, I would like you to bear this point in mind. As I said before, if you bump your elbow, there is this constant pound, pound, pound, and you are going to feel a terrific pain there. That is the same with any amputation case. You have a constant pounding.

The CHAIRMAN: Would Dr. Crawford like to say a few words.

Dr. J. N. B. CRAWFORD, M.B.E., E.D., M.D. (*Director General, Treatment Services*): Mr. Chairman, I would like to say a few words with respect to Syme's.

First of all, as I indicated to Mr. Carter a few minutes ago, it is not the function of the treatment branch to assess disabilities in terms of percentage; this is purely a function of the Canadian pension commission. However, doctors in treatment institutions are seeing these amputees all the time and, willy-nilly, we have drawn some private conclusions of our own as to, perhaps, some bad measurement that has been applied to individual cases of amputation. Therefore, we welcomed the request of the War Amputations of Canada, in their October meeting, to assist them in gathering data, which might be informative, as to what kind of disability was brought out by a Syme's amputation.

As Mr. Bell has told you, at the last meeting of my advisory board of medical research, we approved the expenditure of funds to pursue a research project in the next fiscal year on a follow-up of amputations of all kinds. We hope data will emerge from this which will enable us to draw some conclusions as to what happens to Syme's amputees, compared with other amputees. Now, of course, the findings will be available to the Canadian pension commission, and what use they make of them is a matter they will have to decide. However, I think you should know that this research project has been approved. We have a capable man in charge of it, and we are looking with considerable interest to the potential results.

With respect to the Syme's prosthesis itself, I think I should tell you that Canada is rather peculiar among the nations of the world in its advocacy of Syme's amputations. A few years ago Syme's amputations were frowned on internationally because it was felt the results were bad for the very reasons which have just been expounded a minute ago—that there is this pound, pound, pound; and that this was not a good type of amputation. However, our results with it were pretty good in Canada. I think you would be proud to know that the Canadian Syme's prosthesis which we use, is now internationally famous and recognized. We do a better job in Canada of making a prosthesis of this particular type than anybody else in the world. People all over the world are copying what we do in connection with the Syme's prosthesis; so, it is a matter of some pride.

Now I shall try to explain the Syme's amputation. Perhaps in some cases it is not an ideal type of amputation, but we feel that it is important to conserve as much tissue as we can. We have come a long way in the development of prosthetics, particularly the plastic prosthetic which is fairly new, in correcting to the greatest extent possible the disability which results from this type of amputation.

The CHAIRMAN: Thank you.

Mr. WEICHEL: I have been asking about the Syme's applications. They may appear to walk easier, but I think probably they have just as much trouble with them as I have.

Dr. CRAWFORD: The answer to that is that we just do not know; that is what we are trying to find out.

Mr. WEICHEL: That is right.

The CHAIRMAN: Is there anything you wish to add, Mr. Bell?

Mr. BELL: No sir.

The CHAIRMAN: Well, if there are no further questions, I would like, on behalf of the members of the Committee to thank you, Mr. Bell, and your colleagues for coming and for explaining some of the points you have made. We wish you success for the next year.

Mr. BELL: Thank you very much, Mr. Chairman.

The CHAIRMAN: Now, gentlemen, I am in the hands of the committee, but before we adjourn there is an item I would like to bring up. Do you wish to proceed with the estimates for a while this morning? We have the departmental officials with us, and we might as well go on.

Mr. HERRIDGE: I think that is a good idea.

The CHAIRMAN: We have about 35 minutes left, so I shall again call item 457

Item 457. Departmental Administration	\$ 2,367,981
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And then you will have a chance to make general remarks.

Mr. FORGIE: The first remark I would like to make is this: I would like to say that we have lost a valued official of the Veterans Land Act in the person of Brigadier Rutherford. I would like to say that Brigadier Rutherford did a magnificent job as chairman of the Veterans Land Act, and I am sure he will do a good job under the Farm Credit Corporation. I am sure we all wish him the very best of luck.

Mr. HERRIDGE: I want to endorse what Mr. Forgie has said, and wish Brigadier Rutherford every success in his new undertaking.

Mr. DINSDALE: I think it is a compliment, following Brigadier Rutherford's connection with the Veterans Land Act, that he has now been chosen for perhaps a larger sphere of responsibility in the same type of work.

The CHAIRMAN: Thank you, Walter.

Mr. HERRIDGE: I was wondering if in order possibly to save unnecessary questions and time, if the deputy minister could give us a short resume of any changes or things which have been done since the last committee met.

Mr. L. LALONDE, O.B.E., E.D., B.A., LL.B. (*Deputy Minister*): Mr. Chairman, before we do that—I am sorry that some of the members have had to leave, because I wanted to distribute to each member a folder containing a comparative statement—a financial statement—between last year and our estimates for the next fiscal year, as well as a copy of the latest annual report.

I think probably these two documents would be very helpful to all the members in making a comparison between what has happened in the last fiscal year and what we are forecasting for the next; and also I think that the annual report will give you some idea of the trend that the department is experiencing in dealing with the various aspects of this work. Perhaps Mr. Black would distribute these to the members present.

The CHAIRMAN: We could have them sent out by the clerk.

Mr. LALONDE: Whatever you wish to do.

The CHAIRMAN: No. You may distribute them.

Mr. PETERS: I suggest we adjourn because of the remarks that have been made. This material deals with the work of the department, and I suggest it could be more satisfactorily presented if there were more members here. This is kind of a tail end of another procedure, and it might be advisable if we adjourned.

Mr. LALONDE: I do not want to mislead you, but this is not in narrative form; it is based on figures.

Mr. ROGERS: I agree with those remarks, I do not think there are enough here.

Mr. PETERS: I think in fairness to the members who have left that I should say that they did not know that this was going to come up.

Mr. MACRAE: The meeting was not adjourned. I think we should stay and carry on.

Mr. HERRIDGE: There is a complete cleavage in our members on the subject, but what happens could be read in the record, and we have a lot of work to do.

Mr. CARTER: I suggest a compromise. I have been here since 9.30 and I have other things to do; but I think it would be helpful if the deputy minister's remarks at least were on the record and we could study them and go into details at the next meeting.

Mr. LALONDE: I do not propose to make an overall statement because I have arranged that the senior officials who are responsible for the various aspects of the work shall be here to give you their statements at the time when their particular vote is called. That is why you will notice in the folder I am giving you now that we have added something to our organization chart. We have shown not only the various units of my department, but we have also shown the vote number covering each unit so that with this information and the information contained in the blue book of estimates which you have you might easily make the relationship between the estimates and the unit shown on the organization chart.

Mr. ROGERS: Are you starting at the top of page 417?

Mr. LALONDE: No, we are starting with item 457, departmental administration.

The CHAIRMAN: Yes, item 457.

Mr. CARTER: May I ask if it is the intention to have these documents printed in appendices?

The CHAIRMAN: I was going to ask the committees opinion about that. Are there some parts of this you would like to have included in the minutes?

Mr. LALONDE: Some of that is only for your future information; for instance, the list of our field officers, the names of the persons in charge, and the addresses. We think it might be of some use to you should you have some case to discuss with our field officers.

Mr. CARTER: On that point I would like to say that the various Legion branches are very interested in this type of information too, and if we have it appended to our proceedings, they would then get copies of the minutes and they would have that information as well.

The CHAIRMAN: If you wish to move that it be done, please do so.

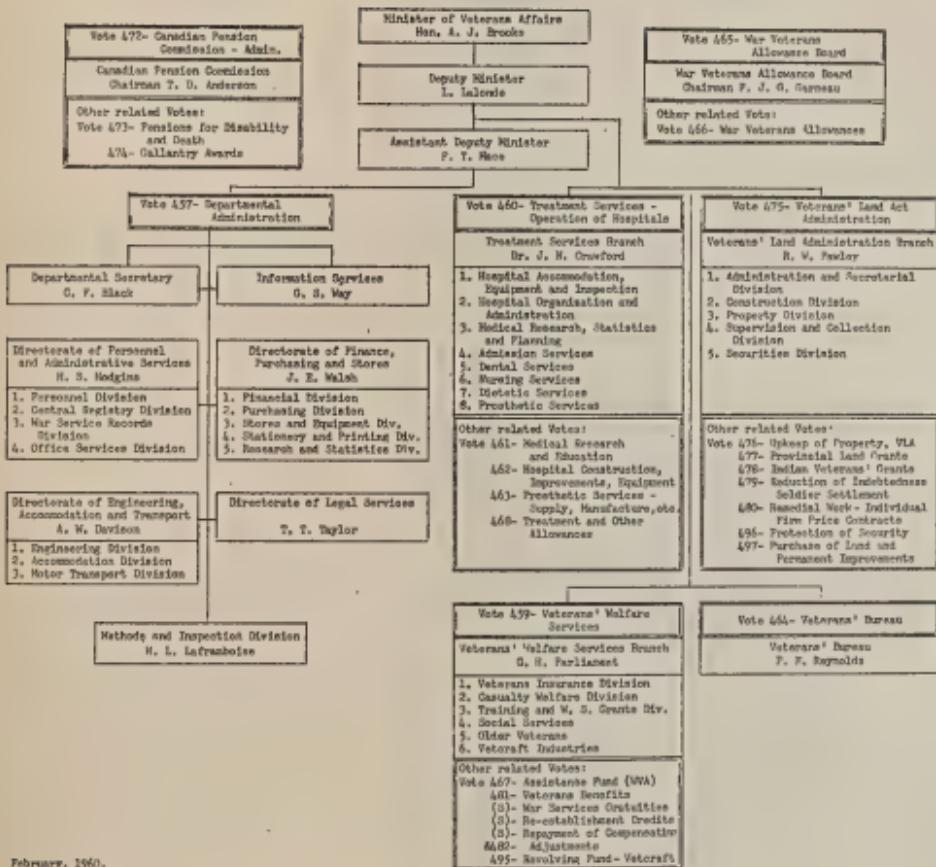
Mr. CARTER: I would be glad to move it.

The CHAIRMAN: You move that all the material that is in the folder should be included, or just what is on the first sheet of it?

Mr. HERRIDGE: I do not think it is necessary to reprint in the minutes of this committee the details which are already shown in the estimates. I think Mr. Carter was referring particularly to the list of officials and officers and things of that sort.

HEAD OFFICE ORGANIZATION

APPENDIX 5A



The CHAIRMAN: What is attached to the first page?

Mr. HERRIDGE: No, I do not think that is all he referred to.

Mr. FORGIE: It is not necessary to print all these figures given by the deputy minister. Let the clerk call them.

Mr. LALONDE: The information on the right hand side of the folder has been prepared to give you an idea of what we expect to spend actually during the fiscal year 1959-60; this is the type of information that was requested at last year's meeting and which we provided late in the session. But this time we have endeavoured to provide it right at the beginning.

Mr. O'LEARY: Is it your motion to include everything on the left hand side, or just the first sheet?

Mr. CARTER: I was thinking of the left hand side, not the estimated expenditures.

The CHAIRMAN: It has been moved by Mr. Carter and seconded by Mr. O'Leary that six of these sheets attached to the left hand side of the folder be made part of the minutes of today's sittings.

Mr. THOMAS: Mr. Carter would not want the last one.

Mr. LALONDE: No, that was for the benefit of the committee.

The CHAIRMAN: All the sheets except the last sheet, which is headed "Approved establishment".

Mr. CARTER: Yes.

The CHAIRMAN: All those in favour of having these contained will raise their hands? Those opposed?

Motion agreed to.

Before anybody leaves, I would like to submit a report of the steering committee or the sub committee on Agenda and Procedure.

Wednesday, March 16, 1960

The sub committee on agenda and procedure met at 3:30 p.m. this day, the following members being present:

Messrs. Montgomery, Pugh, Lennard, Cardin, Herridge and Dinsdale.

Your sub committee discussed at some length, representations received from the Non-Pensioned Veterans Widows Association and recommends as follows:

That the travelling and other expenses incurred for attending before the committee on March 10, 1960, be paid to the delegates of the Non-Pensioned Veterans Widows Association, namely to Mrs. Wainford, Douglas, Cooper, Hickey, Mortimer, Hill, Wheaton, Robinson, Jacob and Hampsen.

Would somebody move it and second its adoption.

Mr. FORGIE: I so move, Mr. Chairman.

Mr. MACDONALD (Kings): I second the motion.

Mr. HERRIDGE: I cannot second it, but I wholeheartedly concur with the procedure under the circumstances.

(Later).

The CHAIRMAN: All those in favour of adopting the resolution.

Agreed.

APPENDIX "B"

D.V.A. DISTRICT OFFICES

Vote 458—District Services—Administration

	<i>Administrator</i>	<i>Address</i>
<i>Atlantic Region</i>		
Newfoundland	C. H. Scott H. Garrett	Camp Hill Hosp., Halifax, N.S. Bldg. 18, Buckmaster's Field, St. John's
Charlottetown	K. M. Johnston	Dominion Building
Halifax	P. M. Smith	Camp Hill Hospital
Sydney (Sub-District)		Point Edward, Sydney, N.S.
Saint John	A. R. Jones	New Post Office Building
<i>Eastern Region</i>		
Quebec	H. M. Hague	35 McGill St., Montreal 2705 Laurier Blvd., Ste. Foy, Quebec 6, P.Q.
Montreal	H. M. Hague	35 McGill Street
Ottawa	H. R. Mossington	No. 8 Temporary Building
Kingston (Sub-District)		New Federal Building
<i>Central Region</i>		
Toronto	W. H. Montague	36 Adelaide St. E.
Hamilton	W. H. Montague	36 Adelaide St. E.
London	W. H. B. Thomson	National Revenue Building
Windsor (Sub-District)	E. J. Rider	201 King Street
North Bay	C. R. Cullen	441 University Avenue, W. Federal Building
<i>Prairie Region</i>		
Winnipeg	W. T. Cromb	Commercial Building, Winnipeg
Port Arthur (Sub-District)	W. T. Cromb	Commercial Building
Regina	C. A. Vogel (Acting)	Public Building
Saskatoon	P. C. Klaehn	New Federal Building
<i>Western Region</i>		
Calgary	W. G. H. Roaf	1231 Haro St., Vancouver
Edmonton	A. D. Atkins	Michael Building
Vancouver	E. M. Scott	Federal Building
Victoria (Sub-District)	W. G. H. Roaf	1231 Haro Street
		Belmont Building
<i>Overseas District</i>		
London, England	A. Chambers	13-17 Pall Mall East

Note: Regional Administrators carry dual appointments.

APPENDIX "C"

V.L.A. DISTRICT AND REGIONAL OFFICES

Vote 475—Veterans' Land Act-Administration

Atlantic District—Superintendent—C. H. Scott New Post Office Building,
Saint John

<i>Regions</i>	<i>Supervisors</i>	
Moncton	W. A. West	Post Office Building
Fredericton	L. A. Duplisea	Post Office Building
Charlottetown	R. M. Martin	Dominion Building
Kentville	D. M. Chisholm	Condon Building
Truro	G. L. F. McNeil	Federal Building
St. John's	H. M. Davis (Acting)	Building No. 18, Buckmaster's Field

Quebec District—Superintendent—

M. L. Lafontaine

<i>Regions</i>	<i>Supervisors</i>	
Quebec	P. Lessard	Customs Building
Montreal	C. S. Poulin	35 McGill Street
Sherbrooke	D. J. Pomerleau	New Public Federal Building

Eastern Ontario District—Superintendent—

H. L. Armstrong

<i>Regions</i>	<i>Supervisors</i>	
Toronto		36 Adelaide St. E.
Newmarket	J. MacIver	Toronto
Ottawa	H. E. Henry	36 Adelaide St. E.
Kingston	A. R. MacNab	462 Park Ave. (Post Office Building)
		No. 8 Temporary Building
		New Federal Building

Western Ontario District—Superintendent

<i>Regions</i>	<i>Supervisors</i>	
London	D. M. Gillies	Dominion Public Building
Guelph	N. J. Denholm	London
Hamilton	C. F. Shaw	
Windsor	E. N. Buckley	
		Dominion Public Building
		Federal Building
		National Revenue Building
		441 University Ave. W.

Manitoba District—Superintendent—

R. M. Wynn

<i>Regions</i>	<i>Supervisors</i>	
Winnipeg	W. C. R. Bradford	614 Commercial Building, Winnipeg 1
Brandon	D. J. Menzies	502 Commercial Building
Dauphin	J. W. Palmer	New Federal Building
		Federal Building

Saskatchewan District—Superintendent—

W. D. Brice

<i>Regions</i>	<i>Supervisors</i>	
Saskatoon	G. E. Rouatt	Federal Building
Regina	D. A. Ibbotson	Motherwell Building
Yorkton	A. H. Holmes	Federal Building
Prince Albert	C. P. Thomas	Post Office Building

<i>Alberta District</i> —Superintendent—		
W. G. O'Brien		Federal Building, Edmonton
<i>Regions</i>	<i>Supervisors</i>	
Edmonton	M. H. Albers	Federal Building
Grande Prairie	D. T. LeBaron	Federal Building
Red Deer	W. E. Martin	Federal Building
Calgary	A. H. Harrison	706-6th St. W.
<i>British Columbia District</i> —Superintendent—		
W. H. Ozard		1231 Haro Street, Vancouver
<i>Regions</i>	<i>Supervisors</i>	
Victoria	G. L. Chatterton	Belmont Building
New Westminster	W. I. Gibson	Post Office Building
Kelowna	R. W. Brown	Kerr Building
Kamloops	W. Tennant	231 Victoria Street

APPENDIX "D"

Departmental Hospitals and Institutions

Vote 460—Treatment Services—
Operation of Hospitals and Adminis-
tration.

Camp Hill Hospital; Halifax, N.S.

Lancaster Hospital, Lancaster, N.B.

—Ridgewood H. & O. Centre

Ste-Foy Hospital, Ste-Foy, Que.

Queen Mary Veterans' Hospital, Montreal, Que.

Ste. Anne's Hospital, Ste. Anne de Bellevue, Que.

—Senneville H. & O. Centre

Rideau H. & O. Centre, Billings Bridge, Ont.

Ottawa Civic Hospital Veterans' Pavilion, Ottawa, Ont.

Sunnybrook Hospital, Toronto, Ont.

—Divadale H. & O. Centre

Westminster Hospital, London, Ont.

—Western Counties Veterans' Lodge

Deer Lodge Hospital, Winnipeg, Man.

Regina General Hospital Veterans' Pavilion, Regina, Sask.

Veterans' Home, Saskatoon, Sask.

Veterans' Home, Edmonton, Alta.

University Hospital Veterans' Pavilion, Edmonton, Alta.

Colonel Belcher Hospital, Calgary, Alta.

Shaughnessy Hospital, Vancouver, B.C.

—Hycroft Veterans' Home

George Derby H. & O. Centre, Burnaby, B.C.

Veterans' Hospital, Victoria, B.C.

APPENDIX "E"**Prosthetic Manufacturing Centres**

Vote 463—Prosthetic Services—Supply, Manufacture and Administration.

Halifax, Camp Hill Hospital; Saint John, Lancaster Hospital; Montreal, Queen Mary Veterans Hospital; Ottawa, No. 8 Temporary Building; Toronto, Sunnybrook Hospital; London, Westminster Hospital; Winnipeg, Deer Lodge Hospital; Regina, Motherwell Building; Calgary, Colonel Belcher Hospital; Edmonton, Mewburn Pavilion, University Hospital; Vancouver, Shaughnessy Hospital; Victoria, Veteran's Hospital.

Note: (1) Service is also extended by periodic visits from Prosthetic Technicians to the undermentioned locations:

Charlottetown, Dominion Bld.; Kingston, Room 263, Federal Bldg.; Hamilton, 150 Main St. W.; Windsor, 441 University Ave. W.; Saskatoon, Room 514, Federal Bldg.

Note: (2) Quebec and North Bay are serviced by staff at Montreal and Toronto respectively. At St. John's, the provincial Department of Health provides a prosthetic service.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

STANDING COMMITTEE
ON
VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 3

THURSDAY, MARCH 24, 1960

**ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961**

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs;
Mr. F. T. Mace, Assistant Deputy Minister; Mr. G. L. Mann, Chief,
Special Services Division, Welfare Services..

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, March 24, 1960
4

The Standing Committee on Veterans Affairs met at 11.00 a.m. this day. The Chairman, Mr. Montgomery, presided.

Members present: Messrs. Badanai, Batten, Beech, Carter, Clancy, Dinsdale, Fane, Forgie, Herridge, Jung, Kennedy, Lennard, Macdonald (*Kings*), MacEwan, MacRae, Matthews, McIntosh, McWilliam, Montgomery, O'Leary, Ormiston, Parizeau, Pugh, Robinson, Rogers, Speakman, Stearns, Stewart, Thomas and Weichel.—(30)

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. F. T. Mace, Assistant Deputy Minister; Dr. J. N. B. Crawford, Director General, Treatment Services; Mr. J. E. Walsh, Director, Finance, Purchasing and Stores; Mr. J. G. Bowland, Research Adviser; G. S. Way, Chief, Information Services; C. N. Knight, Chief, General Services Division, Veterans Welfare Services; G. L. Mann, Chief, Special Services Division, Welfare Services, C. F. Black, Departmental Secretary.

The Chairman observed the presence of quorum and announced that delegates from the Newfoundland Foresters Association would appear before the Committee at its next meeting on Thursday, March 31st.

On Item 457—Departmental Administration—Mr. Lalonde was introduced and reviewed changes in the Department's administrative structure and certain improvements in its methods of operating.

Following the questioning of Messrs. Lalonde and Mann Item 457 was allowed to stand.

Item 458—District Services—Administration—was called and Messrs. Lalonde and Mace were questioned.

Item 458 was adopted.

Item 459 was called and Mr. Mann made a statement concerning the Welfare Services Branch of the Department and reviewed its activities during the past year.

At 12.45 p.m. the Committee adjourned to meet again on Thursday, March 31st.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, March 24, 1960.

The CHAIRMAN: Gentlemen, if you will come to order; we have a quorum. The officials of the department are here.

Just before we proceed with the estimates I would like to say this, that next Thursday, as far as I know, will be the day on which the Newfoundland foresters will be able to be here. Your steering committee decided we would hear them when they could come; so next Thursday, as far as I know now, we will have that delegation with us.

Mr. MCWILLIAM: Mr. Chairman, has there been any date set to hear the dominion command of the Canadian Legion?

The CHAIRMAN: There has been no date set, and they have not decided yet when they are going to be here. I expect there will be present Mr. Don Thompson, the dominion secretary, and Mr. MacFarlane of the service bureau.

An Hon. MEMBER: Mr. Chairman, we are not going to review the pensions legislation this session?

The CHAIRMAN: No, not as far as I know.

Mr. CARTER: Before we continue on this subject, there are two things I would like to ask. You said they had not decided whether they could come or not. They usually come. I cannot remember any veterans' parliamentary committee they have not attended.

The CHAIRMAN: I was talking to Mr. Thompson and he said they had not decided.

Mr. MACDONALD (*Kings*): Is it not possible, since they are having their bi-annual convention at the end of May, they might wish to wait?

The CHAIRMAN: Mr. Thompson has simply expressed to me this view: "We have not decided yet. If the act is not referred to the Committee, we do not feel there is anything in particular we need to appear before you over." That was his expression, and that was more or less his personal opinion. They had not decided; that is the information I have.

Mr. CARTER: The second point is: do you know of any other organizations that will be appearing?

The CHAIRMAN: Not for certain. There is the Canadian corps association. We are still corresponding with them. When they found out it looked as though there was not going to be revision of the Pension Act they decided it might be only a waste of time and money to come this year. I have had no definite decision from them. The only ones who are sure of coming at the moment are the Newfoundland foresters. Any other questions before we proceed?

Mr. BADANAI: Do I understand the pensions are not going to be discussed by this committee this year?

The CHAIRMAN: That is within the power of the committee.

Mr. BADANAI: Every member has received resolutions—at least, I have several of them—from branches of the Canadian Legion, requesting a revision of certain pensions for disabled veterans.

Mr. HERRIDGE: We can discuss any ideas under the appropriate item.

The CHAIRMAN: I think there would be lots of room to discuss these matters as you come to them.

Mr. L. LALONDE (*Deputy Minister of Veterans Affairs*): Mr. Chairman, there is a special vote covering the Canadian Pension Commission, and I presume this would be the appropriate place to discuss those matters.

The CHAIRMAN: Have you all got your estimates books? You will find the item No. 457, departmental administration, at page 81. The details are at page 564.

I will now call on Colonel Lalonde.

Mr. MCINTOSH: I was wondering if this would be the appropriate time to ask a question that was asked last year in regard to the awards that went with the military medal. I think the Colonel said that there were some negotiations with the British officials with regard to turning this matter over to Canada, and there are several points I had to raise on that. He said it would probably be rectified by this time. Has anything been done about it yet?

The CHAIRMAN: That will come under item 474, and it could be discussed at that time, Mr. McIntosh.

Mr. MCINTOSH: Fine.

The CHAIRMAN: We will call on Colonel Lalonde, the Deputy Minister, now to give us the statement which he wished to make.

Mr. LALONDE: Mr. Chairman and gentlemen, at the conclusion of the last meeting I indicated that the heads of the Canadian pension commission and the war veterans' allowance board and all the various branches of the department would make a statement when they appear before the committee to discuss their own vote. So, in order to avoid repetition, I would like to confine my remarks—and they will be short—to vote 457, which covers departmental administration, and vote 458, which covers district administration.

I suppose that all of you have the folder that has been distributed since the last meeting, containing the organization chart of the department, and the various votes covering the different units. You will see that vote No. 457 covers departmental administration which, in effect, is confined to that portion of head office which provides administrative services to the whole of the department, including the operating branches.

There has been no basic change in the organization of departmental administration since last year. The head office is still composed of four directorates, The departmental secretary's office, information services and our methods and inspection division.

The only change that I will draw to your attention is that there has been in that group a reduction of 33 positions between last year and this year. Also in district services, which cover in each district the equivalent of this group at head office, there has been a reduction of 9 positions. That, we feel, is not due to any change in the work-load of the department, because there really has not been since last year any appreciable difference. Rather the reduction has been made possible through the adoption of improved procedures in the handling of the various aspects of the work-load in this group.

In this connection I would like to say a word about a unit which I mentioned briefly last year, and that is our methods and inspection division. You will recall I told you this division had just recently been formed in the department, and that we were experimenting with it. The chief of the division was finding his way around the department then. I am pleased to report now that the division has been set up completely, with a chief of methods and inspection, two methods and inspection officers, and one forms officer.

They have now been operating on that basis for a year. They have made quite a number of surveys in various units of the department, which we considered might best profit from those surveys, during the past year. They have

been able to point out to us various areas where we could improve our methods of handling cases. I think it is through the use of those surveys performed by that division that we have been able to readjust our working methods and effect most of these reductions in staff. We have mechanized some procedures and changed others completely. We feel, in a department the size of ours, there is always room for improvement in methods of operation. There are bound to be some differences in the methods used by the various people involved, and it is desirable that a division such as this one should survey their operation to make them uniform.

I am quite happy to report to the committee that the senior officials in the department are now entirely convinced that there is a continuing need for that methods and inspection division; that it is going to work out not only to the advantage of the department but, eventually, to the advantage of the veterans, because it will mean some standardization which will prevent veterans from different areas being treated differently. We have a great deal of hope that the work of this division will not only save money for us in the long run, but that it will make us a better operating department.

The other item which I would like to mention is the department's annual report. Some of you may have glanced through it. You will see we have got away from the old, drab cover, and we are trying to make it a little more attractive. But, this is perhaps more important: we are attempting to make the contents of our annual report perhaps a little less statistical and a little more interesting to read.

We feel we have improved it this year, but we still have a long way to go. Our departmental secretary, Mr. Black, is involved on that project, and he has submitted some new ideas. We hope next year we will be able to give you less pages—and this, I think, is important—but with more interesting material.

At the last meeting Mr. Carter asked a question about widows of veterans receiving the assistance fund—at least, widows in receipt of the war veterans' allowance also receiving the assistance fund. I think Mr. Carter was interested in knowing how much assistance fund these people get. Mr. Knight, the director of social services, explained they do not all get the same amount. A great deal depends on their other income and also on their needs, but I think you will be interested to know that the number of veteran recipients at the single rate who are also getting assistance fund payments totals approximately three thousand.

Mr. THOMAS: That would be widows?

Mr. LALONDE: No; veterans; three thousand veterans. Their average award is \$12.66. In other words some get \$20 and others less. The average is \$12.66 a month. Widows who receive assistance fund payments total approximately forty seven hundred. The average award for widows is \$15.28. Those are the recipients at the single rate.

Mr. ROGERS: What is the high and the low?

Mr. LALONDE: The high is \$20.00 under the statute and the low is \$1.00 a month.

Mr. HERRIDGE: You do not give less than \$1.00.

Mr. LALONDE: No. As a matter of fact we do not break the assistance fund into cents. It is just the average which comes out in cents. In respect of recipients of war veterans allowance at the married rate, there are forty five hundred veterans who receive assistance fund payments. The average monthly award for these veterans is \$18.72. There are approximately 600 widows who are recipients at the married rate and are getting assistance fund payments.

Mr. CARTER: Is that because they would have dependents?

Mr. LALONDE: It would be a widow with a child. The average monthly award for these widows is \$19.81. The maximum payment that can be made for recipients at the married rate is \$25.00 a month. You can see with the averages being as they are it is evident there are more persons getting the maximum than there are getting minimum. Does that answer your question?

Mr. CARTER: Yes. Thank you very much. Can you tell me the reason the difference between the single and the married rate is only \$5.00? It is such a small differential.

Mr. LALONDE: That is a statutory limitation. It is because for the single rate recipient the basic rate is \$70.00 a month and the income ceiling is \$90.00 a month and that leaves a margin of \$20.00 a month.

Mr. CARTER: It is determined by the ceiling?

Mr. LALONDE: Yes.

Mr. WEICHEL: Is there any age limit or can anyone in need apply regardless of age?

Mr. LALONDE: So far as the assistance fund is concerned you have to be a war veterans allowance recipient in order to apply for the assistance fund. That is the only condition.

The CHAIRMAN: Thank you very much for your precise statement, Colonel Lalonde.

Mr. MACDONALD (*Kings*): I would like to ask Mr. Lalonde a question in respect of the reduction in staff. We are pleased to see there has been some additional efficiency shown in the department with reference to the Veterans Land Act staff. I understand the workload there is being reduced each year, but possibly some of the slack will be taken up by new duties in connection with the Farm Credit Corporation. Would Colonel Lalonde give us an idea whether or not the Veterans Land Act staff will remain fairly static or if there will be a reduction?

Mr. LALONDE: A great deal will depend on the experience which we have during the present calendar year as to the volume of work we will have to do for the Farm Credit Corporation. Both the corporation and the Veterans Land Act officials have been working out definite arrangements as to how the work of the corporation, or what portion of the work of the corporation, will be done by the Veterans Land Act personnel. We expect to start as soon as the snow clears from the ground and we will be called upon to do a terrific number of appraisals for the Farm Credit Corporation. We think we have sufficient field men to do the work but they will be extremely busy during the next summer. After we have had this year's experience we will be in a much better position to tell you what the long range forecast will be. According to the information we have from the corporation we expect there will be a fair sized volume of applications for a number of years. The only thing of which we are not sure is how many years that workload will continue.

We have assessed our own needs, however, for next year on the basis of our past experience plus an additional workload coming from the Farm Credit Corporation. Both the chairman of the Farm Credit Corporation, who is the former director of the Veterans Land Act, and the new director of the Veterans Land Act have agreed they can carry out the forecasted workload for this year.

Mr. ORMISTON: Is it not true there was a request by municipalities for the use of the Veterans Land Act appraisers?

Mr. LALONDE: Yes; but the volume is not sufficient to affect the number of staff employed.

Mr. THOMAS: Is it anticipated that because part of the Veterans Land Act staff will be working part time for the Farm Credit Corporation that this will tend to reduce the cost of the operation of the Veterans Land Act?

Mr. LALONDE: I do not think so. We are making arrangements with the Farm Credit Corporation to be paid a nominal fee for each appraisal we do for them. How much that nominal fee will cover our actual cost I do not know yet. Since it is another government agency we feel it is a bookkeeping entry and we will try it out on the present basis for a year to see how it works out.

Mr. HERRIDGE: I want to say that as a socialist I am a great supporter of law and order and doing things in order. I suggest it would be much better for the record if we discussed the particular details under the headings of the votes in question. It would be better for the record and also for reading by the persons interested.

The CHAIRMAN: I was going to suggest that. I am trying to watch those members who put up their hands indicating they have questions. This is a general questioning on the general administration of the act.

Mr. LALONDE: Actually, sir, at the moment we are really dealing with vote 457 which covers the administration aspects of the works of the department and not the legislative aspects.

Mr. PUGH: My question has to do with salaries and employment. Will this shift affect the efficiency of these field men in respect of their duties under the Veterans Land Act—that is, the work they have to do for the Farm Credit Corporation?

Mr. LALONDE: In respect of salaries, the question of salaries for the field men is under consideration at the moment. We have had some discussion with the Farm Credit Corporation to arrive at a uniform payment for all field men whether they are working for the Veterans Land Act or the Farm Credit Corporation. So far as the question of the work done by the field men for the corporation is concerned and the question of its affecting their work for the Veterans Land Act, I can assure Mr. Pugh this is one thing which we will follow up very seriously because one of the conditions is that the veterans will not suffer because of the work done by field men for other people. However, when the director is here I will ask him to explain to you his reorganization of the Veterans Land Act field staff to take care of that problem. I think he is better qualified than I am to explain it in detail to you and at that time I will ask him to do so.

Mr. PUGH: I have one or two questions on that, but I will defer them.

Mr. McINTOSH: I may not have the figure correct, but I believe Colonel Lalonde said there was a reduction of 33 per cent in the senior staff.

Mr. LALONDE: I did not say senior staff; in the whole staff of departmental administration.

Mr. McINTOSH: I wondered what has happened to those personnel and if it has any connection with transfer of field men appraisers to the Farm Credit Corporation?

Mr. LALONDE: This has nothing to do with the Veterans Land Act.

Mr. McINTOSH: What happens to the personnel?

Mr. LALONDE: The personnel to whom you are referring are not in the Veterans Land Act at all. They are in the administration group of the department.

Mr. McINTOSH: Were they transferred to some other branch?

Mr. LALONDE: Perhaps I can give you the details. We are amalgamating the staff of the chief executive assistant, which used to be a separate unit in the department, and the departmental secretary's office, and this will

enable us to reduce by two. The two persons involved retired during the year. We have reorganized our personnel division at head office. During the course of the year, or as of April 1, we will save seven positions in that group. They are mostly clerical positions. I do not know where those persons go, but they are either retired or absorbed in vacant positions elsewhere. We have not dismissed any employee, if that was the purpose of your question.

Mr. MCINTOSH: What I was trying to get at was in respect of the field men under the Veterans Land Act—

Mr. LALONDE: We seem to be talking at cross purposes here. The field men are not included in this group. These are only persons at head office.

Mr. MCINTOSH: You have no persons at head-office in charge of V.L.A.?

Mr. LALONDE: We have, but they are under a separate vote. They are not included in vote 457.

Mr. HERRIDGE: Mr. Chairman, I wish to congratulate the deputy minister and his officials on the format of the report this year. I find it most attractive and it has a unique touch about it which a lot of government departments fail to have. I wish to congratulate the minister particularly on the preface to the report because it is most readable and interesting and he has an ease and conciseness of language which I think members of parliament could use as a model.

An hon. MEMBER: Hear, hear.

Mr. HERRIDGE: I have two questions. Could the deputy minister inform the committee whether or not there is any turnover to any extent in the senior administrative staff? My second question is, are the officials and employees of the Department of Veterans Affairs anticipating and hoping for an increase in civil service salaries?

Mr. LALONDE: The answer to the first question, Mr. Herridge, is that we have had a few changes in senior officials. We have a new director of personnel, Mr. Hodgins, who won an interdepartmental competition and came to us from the personnel group of the Department of National Defence. We have had a change in the director of Veterans Land Act during the year. I think there have not been very many changes in senior officials. However, we have been most fortunate in receiving good replacements.

The answer to your second question is civil servants always anticipate salary increases.

Mr. PARIZEAU: My question relates to the secretary of Veterans Affairs. There is none this year. The salary last year was \$9,000.

Mr. LALONDE: I think you will find he has been promoted to an AO 7, and you will notice that last year there were no AO 7's. This year we have three. Those are salary adjustments for certain officials who assumed more responsibility. Now, as you of course know, the secretary is Mr. Black and he is very much alive and very much on the job. When we amalgamated the two divisions Mr. Black assumed additional functions. We recommended the salary adjustment for him and the commission, instead of simply increasing the salary of the secretary of Veterans Affairs, placed him in one of those group classifications with the result that it eliminated one class. They do not like to have too many classes. That is the reason why in the estimates book we do not show one secretary. He is, however, shown in the administrative officer 7 group.

Mr. BEECH: Mr. Chairman, is the workload of the minister becoming so heavy that he has to have two new private secretaries? What is the reason for that?

Mr. LALONDE: I am afraid that is exactly the same case. The minister has always had, as have all ministers, a private secretary appointed by order in council; I believe in an exempted position. Also there has always been an associate secretary who is a departmental employee to effect liaison on all strictly departmental business between my office and the minister's office. We have not added one body. We have simply reclassified the associate private secretary.

Mr. BEECH: I see. The other question is this: I noticed there is a considerable increase in the amount of money allocated for the cost of distribution of medals. Does there seem to be more interest in that now?

Mr. LALONDE: I should explain that. As I told you last year we have embarked upon a campaign of distribution which we have continued all through the year. We have also publicized this. We have had posters placed in post offices and in branches of the veterans organizations. It has been going along fairly well, but in the process we have run out of one group of medals and have to have more minted. We have other groups where we have a great surplus. We have ordered an additional 10,000 of the 1939-45 star because we are running out of them. We are also running out of the Atlantic star to the tune of 4,000. Then we have ordered 20,000 additional medal bars to send with the medals. This is the reason why there is an increase in the estimates for next year. The distribution is going right ahead.

Mr. CARTER: My question was covered partly by Mr. McIntosh in respect of the reduction in staff. How many of these were transferred or absorbed into other departments and how many are still with the jobs?

Mr. LALONDE: What do you mean?

Mr. CARTER: I am referring to the 33 that you mentioned in administration.

Mr. LALONDE: Do you mean how many were dismissed?

Mr. CARTER: Yes. I would think dismissed or put out of work.

Mr. LALONDE: If they were put out of work they would be dismissed. I do not believe there was any. We absorbed them. Some retired but these who did not retire were absorbed in other vacancies that occurred.

Mr. CARTER: Within your department or in other departments?

Mr. LALONDE: I would have to check on that. I could give you the answer to your question at the next meeting. However, I know part of the answer. Five were transferred to the Queen's Printer. I will have that information for you at the next meeting.

Mr. CARTER: As far as you know, none of these people has been put out of work?

Mr. LALONDE: I am quite sure of that.

Mr. O'LEARY: Colonel Lalonde, have you had many staff resignations during the past year?

Mr. LALONDE: We have had a total of 1,852 resignations of which 1,595 were in treatment services. As you know, it is quite usual for us to have a fairly heavy turnover in maids, nurses, cleaners and helpers. I think the percentage of resignations during the year, compared to the total number of people employed, is approximately between 10 and 12 per cent, which is not abnormal.

Mr. O'LEARY: That would compare favourably with the previous year?

Mr. LALONDE: I believe so.

Mr. ORMISTON: I would like to direct a question in regard to the cost of advertising for those positions. Do you advertise for those positions which replace those?

Mr. LALONDE: We do that through the civil service commission.

Mr. ROGERS: In connection with the corps of commissionaires I notice in the estimates that the appropriation is \$6,000 less for 1960; does that mean that you are not employing as many?

Mr. LALONDE: Definitely, we are not employing as many as we may have the year before, but this is due to the fact that we closed one stationery store which we had on Somerset street as a separate unit. We closed it and brought the stores and people into the Trade and Commerce wing of the veterans memorial building. The space became available during the year, and it enabled us to close one store and, of course, once we closed it we had to let the commissionaires on duty at that place go. That is the only reason. Where our accommodation has remained the same the number of commissionaires has remained the same.

Mr. MATTHEWS: I was interested in the one editor. Apparently that is a new position.

Mr. LALONDE: We have always had a chief of information, and an assistant. As you know, our information services are responsible for producing the Canadian forces medical journal each month. This is a joint effort between the Department of National Defence, the Department of National Health and Welfare and our department. The editing and preparation of the journal is done in our own offices, and the assistant to our chief of information is particularly responsible for the preparation of that journal. I forget at this time what the classification was last year. It was information officer, grade one; and if you look above editor, you will see that in 1959-60 we have one information officer, grade one, and none in 1960-61.

Mr. MCINTOSH: Colonel Lalonde, would you define the difference between reclassification, salary adjustment and salary increase.

Mr. LALONDE: This is a highly technical subject. Reclassifications occur when the duties change or it is found through experience that the classification granted to a particular employee has become insufficient to represent a proper salary level for those particular duties. Whenever that happens we proceed by way of reclassification.

Mr. MCINTOSH: Who are "we"?

Mr. LALONDE: The department makes recommendations to the civil service commission and treasury board. Salary increases are a bit different. They usually apply not to an individual but to a group or class; for instance, if we were to recommend an increase for our nurses, as we did some months ago—we recommended a salary increase for all nurses because at that particular time we felt that the circumstances affecting all nurses were the same and that a salary increase was warranted for all of them. If we had felt that only one nurse deserved an increase she would have been reclassified.

Mr. CARTER: May I raise a point of procedure at this time, Mr. Chairman. It seems to me that we would have a better sequence in our proceedings and that it would be less disjointed if we followed a different procedure from what we are at the present time.

I would suggest with respect to personnel staff of any department that we might, if there are a large number of them, take the pages and ask questions on one page before going to another. However, when we come to individual items you might call the item, Mr. Chairman, and everyone who has questions on that item might raise them at that time. In this way they would all appear in the same place in the record. As it is now, Mr. Beech asked a question in connection with the corps of commissionaires some time ago. I was going to raise one at the same time, and I am going to raise a question later on it; and then later someone else may have a

question. I think it would be much better if we had all these questions together in our proceedings.

The CHAIRMAN: In other words, discuss all questions under a particular item at once?

Mr. CARTER: Yes.

The CHAIRMAN: I think the reason why the question in regard to the corps of commissionaires was asked is because it happens to be mentioned there. However, that is what I would like to have the members do, if possible. I would like you to confine questions to the item under discussion. I do know that in some cases it is a little difficult for you to determine it.

Mr. CARTER: It is all under the same item, but we could divide that item up. We could take the left-hand page, which is administrative staff, and then on the right-hand page, page 565, we could take the administrative staff down to the end of that. Then, when we come to individual items which are not individual staff, we could call them separately.

Mr. THOMAS: On this point of procedure, where would we fit in general questions? I have one now.

The CHAIRMAN: I have five names listed here. Shall we complete those?

Mr. PUGH: On the point that was raised by Mr. Carter, it would seem to me that we are dealing with item 457 and that members of the committee have had occasion to look into the blue book and formulate their questions, and then as they come out they could carry on in continuity by saying "I have a question which is supplementary". If we go through all the back pages of the blue book we will be here from now until doomsday. I suggest that we go ahead, as last year, by considering the main thing and run it down. Surely members who have looked in the back pages can put their questions in as they go along.

The CHAIRMAN: Well, this is a matter of what is most convenient to the committee members.

Mr. BEECH: Perhaps if anyone has any further question on the particular item we are discussing that might help.

The CHAIRMAN: We have not been off item 457, outside of the time we got off on the Veterans Land Act. Some of these questions follows discussion of the other, and I am afraid we have to give the members a little bit of leeway there. If someone has a supplementary question to one which has been explained, I think that should come in ahead of a new question. I will try my best to have that done.

Mr. DINSDALE: If you followed the normal house procedure I think you would be following a good precedent. If we followed the procedure in the committee of the whole I think we would get along nicely.

The CHAIRMAN: That is what we hope to do?

Mr. HERRIDGE: I am going to ask questions on 457—departmental administration. With respect to the corps of commissionaires, can the deputy minister assure us they are all veterans?

Mr. LALONDE: No, I cannot give you that assurance because I do not know.

Mr. SPEAKMAN: They cannot get into the corps unless they are veterans of one or more wars.

Mr. HERRIDGE: That is incorrect. On one occasion I brought to the attention of the senior officers of the department that there was one non-veteran on the department staff. This situation was examined and corrected some years ago. I brought it to Mr. Parliament's attention.

Mr. LALONDE: If I may hazard an opinion, I do not think that the corps would hire non-veterans if they know they are non-veterans. I personally

do not know all of them so I cannot give you that assurance. There is no statutory limitation because there is no statute covering the corps of commissionaires.

Mr. MACDONALD (*Kings*): It is not the direct responsibility of D.V.A. anyway.

Mr. LALONDE: No, they are a separate organization.

Mr. HERRIDGE: I want to say that at the time when I brought it to the department's attention they were quite interested in it.

Mr. LALONDE: We are.

Mr. HERRIDGE: They considered it important enough to see that the matter was corrected. I think it happened probably by a man getting in without giving the correct information to the corps of commissionaires. However, I had one of the commissionaires come up and give me the details. It was in your department.

Mr. LALONDE: I want to be careful in not giving the impression that the department is running the corps of commissionaires, because it is not; but we are interested in their work and we help them a great deal—as much as we possibly can.

Mr. HERRIDGE: I have one other question. I think some time ago there were some discussions between the Department of Veterans Affairs and the Department of National Defence with respect to making some arrangement for members of the defence forces coming under unemployment insurance, because at that time and at present there are men being discharged from the defence forces who find themselves unemployed for months. At that time the Department of National Defence were not agreeable to it. Has there been any further discussion on that question?

Mr. MACDONALD (*Kings*): It is not a question for the Department of National Defence.

Mr. LALONDE: This item used to be under the welfare services vote and perhaps Mr. Mann could give the answer.

Mr. G. L. MANN (*Chief of Special Services Division, Department of Veterans Affairs*): As far as I know there were no further discussions with D.V.A. with regard to National Defence paying the employer's contribution of unemployment insurance for regular or permanent force soldiers; but I understand they have been dealing with the unemployment insurance commission.

Mr. CARTER: I have a supplementary question. I wonder if Colonel Lalonde, when he is getting the other statistics for me, would find out also how many reductions in the commissionaires are represented by this reduction in the budget.

Mr. LALONDE: Perhaps I can give you the answer now, Mr. Carter. This involved one post on a two-shift basis, so there would have been two commissionaires involved.

Mr. CARTER: Can you tell me what province that is?

Mr. LALONDE: In Ottawa.

Mr. CARTER: I understand there is some reduction in Newfoundland as well?

Mr. LALONDE: I think that we might discuss this under item 458, Mr. Carter, because this is in the Newfoundland district.

The CHAIRMAN: Mr. Pugh had a supplementary question.

Mr. PUGH: Colonel Lalonde, you say one printing area was moved into another building. The space which you left is occupied now by another government department?

Mr. LALONDE: It was rented by the government, and one of the reasons for moving it was not only to amalgamate the operation but also to save space.

The CHAIRMAN: Mr. Weichel?

Mr. WEICHEL: Some time ago the deputy minister mentioned something about nurses, maids and, perhaps, charwomen and janitors. Do they come under the civil service?

Mr. LALONDE: Yes, they do, Mr. Weichel.

The CHAIRMAN: Mr. MacEwan?

Mr. MACEWAN: I would like to ask the deputy minister: what is a management trainee; what are his duties, and what is he trained for?

Mr. LALONDE: What group are you referring to?

Mr. MACEWAN: It is after technical officer 4.

Mr. LALONDE: Yes, the management trainees?

Mr. MACEWAN: Yes.

Mr. LALONDE: I would like to double-check on this. I know that the positions are there, but I am not sure we have the bodies to cover the positions. This is part of our executive training program, and I would like to find out and give you a complete answer as to whether we have the trainees or not.

Mr. SPEAKMAN: Would you advise us at our next meeting whether or not these positions are filled?

Mr. LALONDE: Yes, I will.

The CHAIRMAN: Mr. Thomas?

Mr. THOMAS: Mr. Chairman, I am somewhat confused over the deputy minister's statement. I understood him to say there was a 30 per cent reduction.

The CHAIRMAN: No, "33".

Mr. LALONDE: "33 bodies".

Mr. THOMAS: Oh, 33 bodies?

Mr. LALONDE: Yes.

Mr. THOMAS: What is that, as a percentage, applied over the department as a whole?

Mr. LALONDE: That is how many resigned during the year.

Mr. THOMAS: As I got it, and I was confused about it.

Mr. LALONDE: Between 10 and 12 per cent resigned during the year and were replaced of course.

The CHAIRMAN: That has nothing to do with the 33, Mr. Thomas.

Mr. LALONDE: No.

Mr. THOMAS: But you saved 33 bodies?

Mr. LALONDE: Yes, we saved 33 bodies in departmental administration, at head office, by re-organizing the set-up.

Mr. THOMAS: Was there a saving throughout the department? Could you tell us how many less people are employed by the Department of Veterans Affairs?

Mr. LALONDE: Yes, I could tell you that. There was no saving because whatever we could save elsewhere we, again, gave to treatment services. They always need a few more, so we did not rob anybody, but we loaned from one group to treatment services.

If you look at the last page of the folder that I gave you, on the left-hand side, it shows the total establishment in 1959-60 was 14,565. The total establishment for this year is 14,536, which is a small reduction, but you will notice an increase of 37 positions in treatment. In other words, we were able to reduce other groups to keep treatment services at the level required.

Mr. MCINTOSH: Is Dr. Crawford now satisfied?

Mr. LALONDE: You could ask him that.

Dr. J. N. B. CRAWFORD (*Director General of Treatment Services*): I could reply to that very simply by saying, "No sir".

The CHAIRMAN: Are there any other questions on item 457?

Mr. MATTHEWS: Concerning these pharmacists, I notice they are cut down to one. Where abouts is the man located?

Mr. LALONDE: This is at our central medical store in Ottawa. For a while we have had two pharmacists, and we feel we can operate with one pharmacist and one storeman, so we are replacing one of the pharmacists with a storeman. It will be a little less costly, and the technical work will be done by the pharmacist.

The CHAIRMAN: Gentlemen, I suggest we do not carry this item, because under it, I believe, there comes another matter. Would you simply permit me to stand this item, and we will go on to item 458?

Item stands.

Item 458—District services, administration—\$3,295,958.

Mr. HERRIDGE: Mr. Chairman, could the deputy minister explain the situation with respect to the district administration in British Columbia? The regional director is there, but has the district director been appointed there and, if so, who is he?

Mr. LALONDE: I presume you are referring to the Vancouver district office?

Mr. HERRIDGE: Yes.

Mr. LALONDE: The set-up we have across Canada now is that the whole of the department is divided into five regions. In each region there is a regional administrator located in one of the district offices of the department.

The western region is composed of the Victoria sub-district, the Vancouver district, Calgary district and the Edmonton district. The regional administrator for that region is responsible for the supervision of the administration of all these district areas. His physical location is in Vancouver.

In order to have a more streamlined organization and to keep the regional administrators fully busy, we have arranged to have them assume not only the responsibility of the whole region, but also the administrative responsibility of the district in which they are physically located. So Mr. Roaf, who is the regional administrator for the four areas I have just mentioned, is at the same time responsible for the administration of the Vancouver district. But in order to avoid giving him too much of a load to carry we have provided him with an executive assistant who does the detailed work for the Vancouver district only.

Mr. HERRIDGE: Thank you for the explanation. I thought the post was vacant.

Mr. LALONDE: No, it is not.

Mr. SPEAKMAN: I would like to ask: (a) how many departments are included under the acquisition of motor vehicles; and, (b) how many vehicles are involved?

Mr. LALONDE: I can give you the details, Mr. Speakman. First of all, could you clarify what you mean by "departments"?

Mr. SPEAKMAN: How many different divisions, then?

Mr. LALONDE: This is the acquisition of departmental motor vehicles for all branches, except the Veterans' Land Act. Most of the vehicles that will have to be replaced during the course of the next fiscal year are vehicles used in the hospitals, and most of them are trucks. For instance, I have

seven station wagons carrying veterans from the office to the hospital. We have nine trucks, two buses, one ambulance and 15 other cars, a total of 33 cars, that have to be replaced.

Mr. SPEAKMAN: The practice now is that employees drive their own vehicle on a mileage basis?

Mr. LALONDE: Employees who have to travel?

Mr. SPEAKMAN: Yes.

Mr. LALONDE: Very definitely.

Mr. SPEAKMAN: I would like to express the hope that the department will become a little more generous with their mileage allowance.

Mr. LALONDE: We would like to, but the decision is not ours: it is laid down by treasury board.

Mr. SPEAKMAN: Perhaps the department could urge them to increase the allowance, because these people do travel over some pretty rough country.

Mr. BADANAI: Has the department given any consideration to the rental of vehicles instead of buying them? You see, the trend now is to rent vehicles, both passenger vehicles and trucks.

Mr. LALONDE: Do you mean "drive-yourself"?—to operate vehicles such as the ones that civilians use, by renting them from the drive-yourself companies?

Mr. BADANAI: The ones you operate; instead of purchasing the vehicle you just rent it from the company?

Mr. LALONDE: Could it be less expensive?

Mr. BADANAI: No—in that way you eliminate all this. You have here an item of \$58,000 for the upkeep. On rental propositions you have a new vehicle each year and only pay a monthly rental for each vehicle. That is what you should consider.

Mr. LALONDE: We can certainly look into that. I know, if we find that that is so, we would have to submit that to the government motor vehicle committee. But I would be somewhat surprised, if it is less expensive, that the government motor vehicle committee, composed of experts, would not have asked us to do that.

Mr. BADANAI: Even large trucks are being rented now by logging companies and various industrial concerns, on a monthly rental basis, and in that way they are much cheaper.

Mr. LALONDE: Perhaps Mr. Mace can give you more information about this. He has been in touch with the committee.

Mr. F. T. MACE (*Assistant Deputy Minister, Department of Veterans Affairs*): This is, to a certain extent, hearsay, because I am not a member of the committee; but I do understand the government motor vehicle committee—which reports directly to treasury board and controls this whole feature of government vehicles—has studied the proposition concerning the rental of vehicles, and my understanding is it is not economical on a long-term basis.

If you are renting on a short-term basis, it might save money, but on a long-term basis—and we have vehicles 12 months of the year—it is not economic. Do not quote me on this because, as I say, it is hearsay.

Mr. BADANAI: That is not the experience of persons concerned with transportation. They are all going to rental rather than buying—for example, vehicles for salesmen and trucks for hauling different materials. Now they are renting. That is the trend. Within the next ten or fifteen years there

will be very few vehicles purchased by industrial concerns. You are saving all that money on upkeep, and you always have a new vehicle.

The CHAIRMAN: Mr. Rogers?

Mr. ROGERS: Mr. Chairman, my question is this on the regional administrator: I have been given to understand that one regional administrator is working in a dual capacity.

Mr. LALONDE: They all are. All regional administrators are working in a dual capacity.

Mr. ROGERS: As a district administrator?

Mr. LALONDE: Not necessarily. In the case of the Atlantic region Mr. Scott, besides being regional administrator, is the district superintendent of the VLA. The other four are district administrators at the same time. There is one in Vancouver, one in Winnipeg, one in Montreal and one in Toronto.

Mr. ROGERS: And they are paid at the rate of the regional administrator?

Mr. LALONDE: That is right.

Mr. BEECH: Would the deputy minister comment on the new quarters in Toronto. Are they satisfactory?

Mr. LALONDE: I had the pleasure of visiting them last week. All I can say is they are quite an improvement over the quarters we had previously, and the staff is very happy.

Mr. STEWART: Down near the bottom of the page I see a new position, clerk of works 2, United Kingdom. I would like to know where he is located and what his duties are?

Mr. LALONDE: He is located at Beaumont-Hamel where we have charge of the Newfoundland memorial. There is a memorial there to commemorate Newfoundland participation. When we took it over the residence of the caretaker had gone to pieces. We built a new residence and appointed a new caretaker. Incidentally this person is a Canadian.

Mr. MACDONALD (Kings): From a first glance at the item chauffeur one might get the impression the department is employing chauffeurs to drive quite a few of their staff around. I know some of those positions are mechanic drivers, station wagon drivers and so on. I was going to suggest they might be renamed as drivers and not chauffeurs.

Mr. LALONDE: Again this is one of those civil service classifications covering a great number of people. Over the years the civil service commission has been attempting to reduce rather than increase the number of classifications. Every time we ask for an employee to come within a new classification the commission is reluctant to do it. They say that would increase their list of classifications by thousands.

Mr. MACDONALD (Kings): A truck driver does not look right classified as a chauffeur.

Mr. LALONDE: I agree with you that it might be misleading so far as the actual work performed is concerned; but we have no choice.

Mr. HERRIDGE: I think the truck driver in question would prefer the designation chauffeur.

Mr. LALONDE: There is more to it than that. They may be working driving a truck one month and the next driving an ambulance or a station wagon.

Mr. DINSDALE: I think the licence classifies them as a chauffeur—chauffeur's licence.

Mr. LALONDE: Yes.

Mr. ORMISTON: I would like to know just what percentage the figure of repairs and upkeep would be of the capital cost of the vehicles?

Mr. MACE: The department has in toto, excluding the Veterans Land Act, 168 vehicles. I think your question was as to the relativity of the amount of \$58,500 for repairs and upkeep in respect to the capital cost of the fleet.

Mr. ORMISTON: Yes.

Mr. MACE: It is rather difficult to give you the capital cost of the fleet. We may assume these cost the government an average of say \$2,000.

Mr. ORMISTON: \$3,000.

Mr. MACE: Many of these cars are purchased quite cheaply by the government. There is no tax involved. Some of them have been depreciated over some years. However, suppose we take figure \$3,000. That would be half a million dollars. So it is roughly ten per cent.

Mr. ORMISTON: That is quite normal.

Mr. MATTHEWS: I might say I am under the impression that most of the big companies have equipment on a rental basis rather than pay the money out for equipment, for the reason they need the capital. It is the same way with a great many large stores. They are not in the real estate business and they would rather rent and not have the expense of purchasing the equipment.

Mr. STEARNS: It all depends on the number of miles you operate these vehicles. If you operate them 20 or 30,000 miles a year you probably can save by renting them, but if you operate four or five thousand miles a year your carrying costs will be a great deal higher. An example would be to drive from your apartment to the parliament buildings and try one of these drive yourself cars, and see what it costs you. Last year I tried it and it is much cheaper to hire a taxi.

An hon. MEMBER: Or walk.

Mr. STEARNS: Yes, or walk.

Mr. WEICHEL: I would like to ask the deputy minister in respect of vehicles being used by the Department of Veterans Affairs, when you need new ones are the tenders issued by your own department?

Mr. LALONDE: When we need a new car as a replacement for an old one we ask for tenders, through our purchasing division, from a number of firms in the area where we need the vehicle. Then we submit the tender, with the reason for our request for an exchange, to the government motor vehicle committee. They approve both the exchange and the low tender. Then we go ahead and issue a purchase order.

Mr. WEICHEL: In most cases if it is recommended by you it is pretty well accepted? Is that the idea?

Mr. LALONDE: Unless a car has a major accident we normally never replace a vehicle unless it has gone over 60,000 miles. Even at that we still get some fair exchange value for the trade-in.

Mr. MATTHEWS: The Standard Oil Company in the United States always runs a car 100,000 miles before they trade it in.

Mr. LALONDE: They could not run their cars that way if they were running them in Saskatchewan, Alberta or Newfoundland.

Just to give you an idea, amongst the vehicles we are replacing next year we have a station wagon in Nova Scotia that will have gone at least 80,000 miles, in New Brunswick one coach which will have gone 86,000 miles and another one 75,000 miles.

Mr. MATTHEWS: I am not recommending that. I was just making the observation.

Mr. LALONDE: I was trying to find the actual cost per mile of the vehicles we operate. It is staggering I think. We have used that figure when discussing

the question of how much it costs an employee to use a car. I will give it to you exactly.

Mr. MACE: It is 5 cents.

Mr. LALONDE: I knew it was around 5 cents a mile; that is the actual cost to the department of running the vehicle. In addition to that you would have to add the cost of depreciation.

Mr. MATTHEWS: That is the average cost for all your vehicles?

Mr. LALONDE: The operating cost.

Mr. STEARNS: You do not carry any fire insurance or anything?

Mr. LALONDE: No. It does not include depreciation. You would have to add about 3 cents for that.

Mr. THOMAS: Does that include the drivers' salaries?

Mr. LALONDE: No. I am speaking only of the cost to operate the vehicle.

Mr. CARTER: When you put out tenders do you specify any particular make of car?

Mr. LALONDE: No, we do not. This is always a difficult question to answer because I suppose if we were to ask for tenders for a two-door passenger vehicle and we received a quotation of \$3,000 on a Ford and \$3,200 on a Cadillac you might say you will get better value with the other one, but we do not look at it in that way. We buy at the cheapest cost for a vehicle which will fill our needs. The make does not make any difference so far as we are concerned.

Mr. CARTER: That takes into account the trade-in allowance that each company is prepared to give you?

Mr. LALONDE: Yes. The net price is based on the tender less the trade-in value.

Mr. HERRIDGE: My question is associated with a vehicle of language. There is a rather interesting etymological significance. I received correspondence from the department which referred to deceased personnel as "body" or "bodies". When the minister was referring to the present members of the departments he referred to them as bodies. Is it correct to assume the department uses the one word to describe the living and the dead?

Mr. LALONDE: Well, I must confess I am not a master in the English language, but to me a body is a body.

Mr. PUGH: Mr. Chairman, I think we are almost outnumbered and we might adjourn.

The CHAIRMAN: We can only have one sitting a week and we should have two hours unless the committee decides otherwise.

Mr. MACRAE: I have a number of questions. I would like to ask about the organization in the United Kingdom. I think most of us are quite familiar with the organization in the districts and so on in this country. However, in June I took the opportunity of visiting our organization in London, and I would like to ask the deputy minister what is the organization in the United Kingdom for the handling of approximately 40,000 Canadian veterans and their dependants. Is that a district?

Mr. LALONDE: It is. It is a district quite similar to all the districts which we have in Canada. It has a district administrator, it has a superintendent of welfare, a senior treatment medical officer; its own central registry, its own welfare officers, a senior pension medical examiner and in addition all the components of a district in Canada. It uses the facilities which are provided by special arrangement with the United Kingdom government for actual treatment and some medical examinations. Otherwise it operates on its own as a complete entity.

Mr. MACRAE: I used the figure of approximately 40,000. Is that the figure?

Mr. LALONDE: 25,000 veterans.

Mr. MACRAE: Then there are a great many widows, dependants, and so on.

Mr. LALONDE: So far as we are concerned that means 25,000 files. A veteran might be dead and it might represent dependants, but it is a file.

Mr. MACDONALD (*Kings*): There are some veterans in other European countries?

Mr. LALONDE: Very definitely. We have some in France, Belgium, Holland, Italy and Czechoslovakia.

Mr. MACDONALD (*Kings*): How do we handle our veterans in the United States? Do they get in touch with Ottawa or do we have somebody in New York or San Francisco?

Mr. LALONDE: Sometimes they get in touch with us through our consular offices but most of them, because the arrangements have continued over a period of years, write to the foreign relations division in Ottawa. That division handles all questions of Canadian veterans living in the United States and Mexico, South America or Australia.

Mr. MACDONALD (*Kings*): And they can use the facilities of the Canadian legion branches found in various places in the United States.

Mr. LALONDE: Yes; but the Canadian legion branches write to the foreign relations division.

Mr. CARTER: You say the United Kingdom set-up is practically a district. Are the personnel paid on the same scale as their counterparts in Canada?

Mr. LALONDE: There are two types of personnel we employ in the district office of the United Kingdom. There are Canadian officials who are civil servants and who are paid the normal rates of pay set by the civil service commission plus certain living allowances for living abroad. Then there are locally engaged people who are not civil servants but who are paid certain rates determined to meet local competition in the United Kingdom.

Mr. WEICHEL: In respect of Mr. MacRae's question on veterans in the United Kingdom, France and other places have they the privilege of attending a university there in those countries, under their benefits, the same as we have here?

Mr. LALONDE: Under what legislation?

Mr. WEICHEL: The privilege of going to university.

Mr. LALONDE: They do not any more. Some of them did. But the training plan is practically finished now.

Mr. FORGIE: Would that apply to children of pensioners?

Mr. LALONDE: Under the Children of War Dead Assistance Act, yes.

Mr. CARTER: If we can come to the items at the bottom starting with allowances for the corps of commissionaires and so on I would like to ask one or two questions on that.

The CHAIRMAN: Under item 458?

Mr. CARTER: Yes. Still on the same item. This is a separate division of that item. There is no change in the vote for commissionaires under the districts. Is there any change in the number of commissionaires employed. My second question is, are their travelling expenses the same in every province?

Mr. LALONDE: The number of commissionaires to be employed during the next fiscal year may vary in relation to what it was during the last fiscal year, depending on certain changes which are slated to occur in the accommodation used by our district offices. How much it will vary we do not know. That

is why this estimate is the same as last year. You were speaking about travelling expenses for commissionaires?

Mr. CARTER: There are two items here I am interested in. Are they paid at the same rate in each province?

Mr. LALONDE: All our employees who are on travelling status receive the same rates wherever they may be working for the department. There is no difference between provinces.

Mr. CARTER: Regardless of the condition of the roads and so on?

Mr. LALONDE: That is right. We realize there are areas even within provinces where the roads are not in the same condition. We did look into this and it is just impossible to set escalator clauses to deal with local conditions and we feel the only fair thing is to pay each one the same.

Mr. HERRIDGE: It is very difficult to assess the differences.

Mr. LALONDE: Yes. You could travel one hundred miles on a good road and then 200 miles on a very bad road, but it is all the same trip.

Item 452 agreed to.

Item 452—Administration, Operation and Maintenance \$1,100,512

Mr. CARTER: This item only has to do with the Ottawa headquarters. Does it take in the regional staff as well?

Mr. LALONDE: Are you speaking of welfare services?

Mr. CARTER: Yes.

Mr. LALONDE: No, it takes in all the staff.

The CHAIRMAN: If there are any questions, Mr. Mann will answer them. Mr. Mann would like to make a statement. Shall I call on him now?

Mr. G. L. MANN (*Chief, Special Services Division*): Mr. Chairman and gentlemen:

As was explained to the committee last year the work of the veterans welfare services branch is mainly concerned with the administration of statutory benefits and the largest single component in this field is the processing and implementation of awards made under the War Veterans Allowance Act and the assistance fund (WVA) regulations.

Other major statutes with which the branch is concerned are the War Service Grants Act which provides for the payment of re-establishment credits and the Children of War Dead (Education Assistance) Act, which authorizes help with university education of young people whose fathers' deaths resulted directly from military service. There is also the Veterans Rehabilitation Act, Veterans Insurance Act and a number of orders in council relating to the training and re-establishment of veterans for which the branch is responsible.

Branch services are not, however, limited to the statutes and orders already mentioned. Its field staff makes investigations for other branches of the department and related bodies such as treatment services and the Canadian Pension Commission, other government departments such as National Defence, Service Benevolent Funds and even agencies of other governments such as the British Ministry of Pensions and the United States Veterans Administration. Our hospital casualty services and the follow-up of war disabled veterans in the community is a special concern of the branch.

The fact that W.W. I veterans are reaching the end of their active working lives and that W.W. II veterans are now facing the problems of middle age has important implications for us. Illness, accident and emergencies, plus the progressive impairment of capacities due to aging, all tend to increase demands upon the facilities of the Branch.

You will see that the total staff establishment of the branch remains unchanged. However, I would like to explain that three positions were cancelled due to a re-organization at head office but this has been offset by the creation of three district clerical positions. These additional positions became necessary because of the increased workload arising from the payment of premiums to the various provincial hospital plans on behalf of W.V.A. recipients.

An increase of \$900,000 in re-establishment credit payments is expected. You will recall that last year the Deputy Minister told you that an effort would be made to contact every veteran with unused credits.

Our districts have been working intensively on this process and a special effort has been made to publicize the cut-off date of re-establishment credits, which is September 1962, and to draw the attention of those veterans living outside of Canada to the fact that they can use their credits for the payment of premiums on veterans' insurance.

Along with the increase in the number of veterans in receipt of maximum war veterans allowances is a steady growth in the monthly supplementation through the assistance fund, to the extent that we have found it necessary to increase our provision for payments from that fund by \$450,000.

I might point out that although there is an increase in the number of students who will be assisted under the Children of War Dead (Education Assistance) Act, the decrease in the 1960-61 estimate for this item results from the fact that there was an over-estimate in the 1959-60 provision for payment of fees.

Some months ago the Deputy Minister directed that a detailed survey be made of the functions and operations of the branch, especially the relationship between the statutory and non-statutory components of its workload. The preliminary report of the survey team should soon be available for study and it is hoped that the findings will enable us to establish a policy for the future as it relates to the function of the Branch and the determination of our staff requirements.

The CHAIRMAN: Thank you, Mr. Mann. Would the committee like to go on and ask questions, or do you wish to adjourn to look over this statement and to be prepared to ask your questions at the next meeting?

Mr. CARTER: I think that would be more appropriate, Mr. Chairman.

Mr. LALONDE: I am under the impression that I may have given Mr. Weichel a wrong answer. You spoke about university training, Mr. Weichel.

Mr. WEICHEL: Yes.

Mr. LALONDE: In other countries. In so far as the veterans are concerned, some of them took post graduate work in the United Kingdom. But as far as children of the war dead are concerned, their training must be in what is described as educational institutions in Canada.

Mr. WEICHEL: All in Canada?

The CHAIRMAN: Next Thursday we shall meet at 11:00 o'clock. At the moment we expect to hear a delegation first, and then we shall continue with the estimates. We are leaving item 459 open and we shall start next day with it. Thank you for your good attendance. The meeting now stands adjourned until next Thursday at 11:00 o'clock.

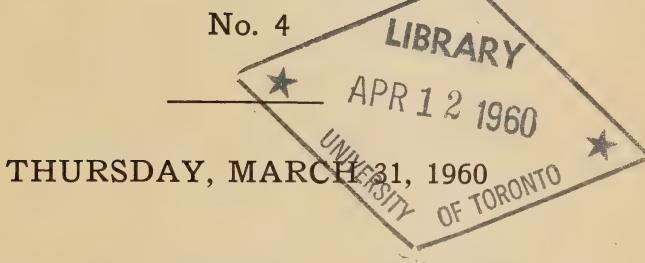
HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

STANDING COMMITTEE
ON
VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE



**ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961**

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs; Mr. T. D. Anderson, Chairman, Canadian Pension Commission; and from *The Newfoundland Overseas Forestry Unit*, Messrs. T. Curran, President and C. R. Baggs, Secretary.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

*Chairman: G. W. Montgomery, Esq.,
Vice Chairman: D. V. Pugh, Esq.,*

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

*J. E. O'Connor,
Clerk of the Committee.*

MINUTES OF PROCEEDINGS

THURSDAY, March 31, 1960.

(5)

The Standing Committee on Veterans Affairs met at 11.02 a.m. this day. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Batten, Beech, Cardin, Carter, Dinsdale, Fane, Forgie, Herridge, Lennard, Macdonald (Kings), MacEwan, MacRae, Matthews, McIntosh, Montgomery, Ormiston, Parizeau, Roberge, Robinson, Rogers, Speakerman, Stearns, Stewart, Weichel and Winkler.—(25)

In attendance: From the Newfoundland Overseas Forestry Unit: Messrs. T. Curran, President; and C. R. Baggs, Secretary; and from the Department of Veterans Affairs: Mr. L. Lalonde, Deputy Minister; Mr. F. T. Mace, Assistant Deputy Minister; Dr. J. N. B. Crawford, Director General, Treatment Services; G. S. Way, Chief, Information Services; C. N. Knight, Chief General Services Division, Veterans Welfare Services; G. L. Mann, Chief, Special Services Division, Veterans Welfare Services; and C. F. Black, Departmental Secretary; from the Canadian Pension Commission: Mr. T. D. Anderson, Chairman.

The Chairman observed the presence of quorum and drew to the attention of the Committee an error appearing in its printed proceedings at page 86, lines 16 and 17. The record at this point indicates, in error, that Item 452, instead of Item 458, was adopted and that the next item called was Item 452 rather than Item 459.

Messrs. Curran and Baggs were introduced and Mr. Curran, on behalf of the Newfoundland Overseas Forestry Unit, read a brief, copies of which were distributed to Members of the Committee. He then read a copy of a resolution adopted by the Placentia Branch of the Unit, expressing support for the brief.

During the questioning of Messrs. Curran and Lalonde, it was agreed that, subject to obtaining permission from appropriate authorities, an exchange of letters between the Government of Canada and the Province of Newfoundland, relating to the Newfoundland Overseas Forestry Unit, be tabled and printed as appendices to the printed record of a subsequent meeting of the Committee.

Mr. Curran's questioning concluded, he was thanked by the Chairman, and retired.

Agreed—That copies of Engagement Agreements, Contracts and a Renewed Contract be printed as appendices to this day's proceedings. (See Appendices A to D.)

Agreed—That in order to take advantage of the presence of Mr. Anderson, the Committee call for consideration Items 472 to 474, relating to the Canadian Pension Commission, at its next meeting to be held on April 7th.

At 12.50 p.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, March 31, 1960,
11 a.m.

The CHAIRMAN: Gentlemen, we have a quorum. Will you please come to order.

At our last meeting we agreed to item 458. In the minutes of proceedings and evidence at page 86 it says "Item 452 agreed to". Then there is another line "Item 452—administration, operation and maintenance \$1,100,512."

The 452 should be changed to 458 and the following line should be eliminated. And reference made to item 459. Does anyone have any comment on this? This is in the evidence on page 86 about 16 lines down.

Mr. MCINTOSH: Did you say item 452?

The CHAIRMAN: Yes.

Mr. MCINTOSH: Did you say item 452?

The CHAIRMAN: It should be item 458. The item which was agreed to was item 458. Therefore, item 452 should be changed to read "item 458" and the next line should be eliminated.

Gentlemen, this morning we have with us the representatives from the Newfoundland Overseas Forestry Unit, Mr. Thomas Curran and Mr. C. R. Baggs. Mr. Curran is prepared to read their brief.

If no one has any remark at this point I will call on Mr. Curran to present his brief.

Mr. Thomas Curran, we welcome you here and will be very glad to listen to your brief. After you have finished reading it the members will then be given an opportunity to ask questions if they so wish. Later on they may discuss it.

Mr. THOMAS CURRAN (*President, The Newfoundland Overseas Forestry Unit*):

Brief Submitted on Behalf of
The Newfoundland Overseas
Forestry Unit

Whereas a Newfoundland Overseas Forestry Unit was formed and took part in both World Wars I and II and whereas in World War I the members of the forestry Corps were in uniforms and thus considered members of the Armed Forces but in World War II the Newfoundland members of this Forestry Unit were not in uniforms and whereas a similar unit was formed in Canada during World War II and its members were in uniform and thus considered members of the armed forces and whereas the members of the Newfoundland Overseas Forestry Unit of World War II are being discriminated against in that they are given no equality of preference for employment; no rehabilitation benefits; no pension benefits; no sick or hospital benefits and in fact no recognition in any way and whereas at the time of union between Canada and Newfoundland the Canadian legislation benefits for members of the armed forces of Canada for World War I and II were made available for all members of the armed forces of Newfoundland for both World Wars including the Newfoundland Forestry Corps for World War I and whereas there are legislative provisions in Canada, made prior to union, for the express

purpose of recognizing the services of people recruited in Canada for war work outside the Western Hemisphere but who were not in fact members of the armed forces, in particular. *The Civilian War Pensions and Allowances Act* Chapter 43 of the Statutes of Canada, 1946 as amended by Chapter 38 of the Statutes of 1948 and the *Special Operators War Service Benefits Act* Chapter 64 of the Statutes of Canada 1946 and whereas it is sincerely felt that this legislation is and/or can be made applicable to the members of the Newfoundland Overseas Forestry Unit and whereas it has been determined that the Newfoundland delegates, whether government appointed or members of the former Great War veterans' association were not in possession of all the facts at the time of union discussions and, through no fault of theirs, it was impossible for them to put forward a just case for the said unit and whereas no member of the said unit was present at the Union discussions, the late Lieutenant-Colonel Turner having died on the way to Ottawa and whereas officers of the Newfoundland Overseas Forestry Unit have now had an opportunity to get together, compile the facts and peruse the official records from the date of the first recruitment.

Now therefore we, the undersigned, acting officially on behalf of the whole organization, hereby with all honesty and sincerity, submit the following facts and information for the consideration of whom it may concern in order that the members of this Forestry Unit, who may require it, may be justly treated for the special services performed by them and pray your attention thereto:—

1. WHEN AND HOW WAS THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT FORMED?

By an Act of the Newfoundland Government passed November 18, 1939 and known as Act No. 47 of 1939 the Newfoundland Forestry Act.

2. WHY WAS THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT SET UP?

- (a) War was declared by the King against Germany on September 3, 1939 and as soon as possible thereafter the Governor of Newfoundland informed the Secretary of State for Dominion Affairs that Newfoundlanders were anxious to get into the fight and wanted to form a Combatant Unit. Negotiations for such culminated in a telegram dated October 3, 1939, No. 318 one month after war was declared. This shows that no time was lost by the Newfoundland people through their governor.
- (b) By telegram No. 416 dated 9th. November 1939 the Secretary of State for Dominion Affairs impressed upon the Newfoundland governor the dire necessity for Newfoundland to send a labour unit immediately to the United Kingdom for the purpose of cutting pitprops in connection with coal production in the United Kingdom which was, in his words, "*vital to the war economy.*"
- (c) The Newfoundland government felt duty bound to ask Newfoundlanders to be guided by what the United Kingdom government felt to be most advantageous for winning the war. Hence Newfoundlanders, for the time being, reluctantly gave up their ambition to form part of a combatant unit and rushed to the aid of the United Kingdom, enlisted as foresters, and were the first group of British Citizens to sail from overseas to the United Kingdom to do whatever might be assigned to them,

3. UNDER WHAT CONDITIONS DID NEWFOUNDLANDERS BECOME PART OF THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT?

- (a) Each individual signed a contract for the duration of the war at the rate of 25 cents per hour, *except for the first nine months of war when the special contract was for six months.*
- (b) This contract was altered in June 1940 when each individual had to covenant that he would not and could not be transferred to any other unit or to any of His Majesty's armed forces and had to sign for the duration of the emergency.
- (c) He further agreed:
 - (1) That he would not be paid for time lost owing to weather conditions and therefore may quite probably not receive more than \$26.00 a month, the minimum pay, or approximately 87 cents per day, which was less than that received by the lowest paid member of the armed forces.
 - (2) That his earnings would be subject to the Newfoundland Income Tax legislation to which the members of the Armed Forces were not.
 - (3) That for time lost due to illness or accident he would receive only half pay. This was not so in the case of members of the Armed Forces who received full pay regardless of whether the sickness or accident occurred during working hours or not.

It will be noted here that just as the pay might be higher than the pay for members of the armed forces so the pay might be lower. Further the regular pay of \$2.00 per day covered the man's allotment to his family, clothes, cigarettes and miscellaneous, as members were supplied with food and blankets *only*, whereas members of His Majesty's forces were given clothing and many other amenities.

AND AGAIN members of the Newfoundland Overseas Forestry Unit, disabled through accident outside their working hours, received no compensation.

It should be noted further that they could be sent home due to disability from illness and receive nothing further and although they may receive half pay while in the United Kingdom, if disabled by accident, *in the course of their unemployment*, nevertheless the members of the Armed Forces would receive full pay as long as they were disabled through illness or accident, and a life pension depending upon disability after discharge. The members of the Newfoundland Overseas Forestry Unit, although supposed to be under British Workmen's Compensation Act, were given only a small cash settlement on discharge and that only if injury occurred during working hours.

4. WHAT WORK DID THE MEMBERS OF THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT PERFORM?

- (a) Generally all such work assigned to them by the United Kingdom government through, their officer in charge, Lieutenant Colonel Turner.
- (b) Particularly among other things they cut:
 - (1) Props for coal pits.
 - (2) Logs for sawn lumber.
 - (3) Sawn timber for all purposes including ship-building.
 - (4) Telegraph poles.
 - (5) Timber for other defence projects.
 - (6) Poles for obstruction purposes for air raid precautions.

5. WHAT OTHER WORK DID THE MEMBERS OF THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT ENGAGE IN OVER AND ABOVE THEIR LINE OF DUTY?

Large numbers became members of a Home Defence Unit and served in the 3rd. Inverness (Nfld.) Battalion, Home Guard, formed entirely from members of the Newfoundland Overseas Forestry Unit. (This was the only Battalion of Home Guard formed by overseas men.)

As members of this Battalion the Newfoundland Foresters were trained under Brigadier J. S. Davenport, M.C. and to use the brigadier's own words "their role was to provide a mobile striking force on counter attack lines at various focal points in the area...they were trained accordingly to be strictly mobile and ready for any offensive operations as required...I cannot remember off-hand exactly where they were destined to operate but I do know that one company came to my Headquarters at Ness Side House for use anywhere in the area and others were to report to the garrison commander (Lord Gough) at Inverness."

The Brigadier carries on in part as follows:—"I can say with truth that they were the only unit in the area that I felt I could always count upon to arrive at a given place in correct numbers and I knew that any task given them would be carried out to the best of their ability. Had any Germans landed in the area it was always a question of time in getting reinforcements to assist the local Highlanders and we very often carried out exercises with the 3rd. Battalion to test out this time factor."

The Brigadier also points to the loss of money, sleep and rest suffered by the Newfoundland Battalion during their training which was carried out more scrupulously and energetically than in most Highland Battalions.

6. HOW IMPORTANT WAS THE WORK OF THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT TO THE WINNING OF THE WAR?

This question can be answered best by referring to a communication from the Secretary of State for Dominion Affairs to the Governor of Newfoundland dated June 5, 1940 and is herewith quoted in full:—

No. 376 Confidential. Your telegram of May 16th, No. 269, paragraph 1. Steps are being taken by Turner to ascertain which loggers propose to enlist in fighting or other services on expiry of their term of engagement and result will be communicated to you when known.

"Necessity of increasing output of pitwood produced in this country is of such vital urgency that as you know, in addition to asking you to send 1000 more men we have taken special steps to persuade as many loggers as possible to re-engage with Newfoundland Forestry Unit for further term. It has been suggested that it would be useful if the government were also to publish in all loggers camps here statement regarding great value of work being done by unit and appeal to the men to continue in present employment. We are prepared to do this if result of census referred to in preceding paragraph makes it necessary and hope that the government of Newfoundland would be willing to associate themselves with the United Kingdom government in such an appeal if made. If you agree we will telegraph to you for concurrence in text of suggested appeal.

"In spite of everything certain number of men may decide to enlist in the army. We have discussed with the War Office your proposal that they should be given opportunity of joining Newfoundland Heavy Regiment. War Office have pointed out that they are forming twenty-eight Forestry companies of Royal Engineers for which there is urgent demand and that while these companies will be part of the fighting forces they will provide the best opportunity of making military use of special skilled Newfoundland loggers. It

is not proposed to do anything to hinder anyone who is set on joining Newfoundland Heavy Regiment from doing so but Turner will be asked to explain carefully to all who definitely decide to volunteer for the army the importance and advantage of joining these companies and to use his influence to induce as many of these men as possible to enlist in them. Strength of each company will be 140 men and if sufficient men are forthcoming they will be kept together and company in which they are posted will bear the name of "Newfoundland."

"Need of men skilled in forestry is so urgent that we should be grateful if Recruiting Organizations in Newfoundland could be advised to exercise special caution in accepting any skilled loggers as recruits for Royal Artillery Regiment." (end of telegram).

It will be noted that from this time on, not only did the Newfoundland government instruct Recruiting Organizations accordingly but each individual who joined the Newfoundland Overseas Forestry Unit had to sign a contract for the duration in which was a clause to the effect that he could not be transferred to any other unit or to any of His Majesty's armed services and instructions were issued to the camps that no member could join His Majesty's forces as his logging work was of the most extreme importance.

The vital importance to the United Kingdom of the work performed by these men was noted in telegrams from the Director of Home Timber Production to J. Turner, Officer in Charge, dated March 6th, 1944; from the Secretary of State for Dominion Affairs to the Governor of Newfoundland dated 18th July 1946 and from Lord Addison dated 7th December 1945 and others.

7. THIS IS A BRIEF ON BEHALF OF THE NEWFOUNDLAND OVERSEAS FORESTRY UNIT TO SHOW WHY THE MEMBERS OF THAT UNIT SHOULD BE TREATED IN THE SAME WAY AS:—

- (a) Ex-Servicemen in so far as jobs and government sponsored rehabilitation schemes are concerned, and/or
- (b) Canadian Civilians who served overseas on hazardous occupations as far as the benefits of the Canadian Civilian War Pensions and Allowances Act is concerned. This may apply to members of the Unit who did not join the Home Guard Unit in Scotland, and/or
- (c) The members of the Canadian Forestry Corps. This may apply to members of the unit who joined the Home Guard units, and/or
- (d) Persons recruited in Canada by United Kingdom Authorities for special duties in War Areas as set forth in "The Special Operators War Service Benefits Act." This should apply to all members of the Newfoundland Overseas Forestry Unit.

THEREFORE IT IS ONLY FAIR TO MAKE SOME COMPARISONS:—

- (1) The members of the Newfoundland Overseas Forestry Unit went overseas at the urgent call of the United Kingdom Government.
- (2) They did exactly the same work, and for a longer period, as the members of the Canadian Forestry Corps. They were subjected to the same hazards and dangers from invasion and bombing. For a long time they were actually in the front lines of battle and this is well evidenced by the following communication:—

War Office,
43, Parliament Street,
Whitehall,
S. W. 1.

Ref. BM 7984/TAI.

15th July, 1946.

The Secretary,
 Northern Counties Territorial Army Association,
 Gordonvill Road,

Inverness.

Reference your letter NTA/A/43 dated 27th June, 1946, the following ruling has been given in War Office letter 68/Gen/8070 A.G. 4d) dated 6th June, 1946.

"Provided that the United Kingdom was not the normal Country of the residence of the personnel concerned, they would qualify for the defence medal by six months service, *as the United Kingdom was a closely threatened area overseas from attack outside their normal country of residence.*"

Amendments to A.C. 1 829/45 will be published in due course.

Signed: A. C. Hanely, Captain,
 for Director Territorial Army
 and Army Cadet Force.

- (2) (a) As a result of this ruling all members of the Home Guard Unit including the members from the Newfoundland Overseas Forestry Unit were and are entitled to wear the Defence Medal.
- (3) It is quite obvious that no person can seriously and conscientiously argue that these men of the Newfoundland Overseas Forestry Unit were not engaged in a hazardous occupation. Since these very grave and constant dangers to life and limb were endured in order to help win the war and since the work was carried on overseas and on enlistment by the United Kingdom government, therefore, there can be no possible difference in their status from that of those covered under the Canadian Civilian Pensions and Allowances Act and/or the "Special Operators War Service Benefits Act."
- (4) Since their work was the same as the work of the members of the Canadian forestry unit and since it was carried on in the same country, in the same area, at the same time, (but for a longer period of time) and under the same conditions; and since they were even trained for offensive warfare there is therefore but one difference between them, and that is: the Canadians wore a uniform and the then Newfoundlanders did not. This is the only reason that the members of the Canadian forestry unit are treated as ex-servicemen while the members of the Newfoundland overseas forestry unit are not. Should the wearing of the uniform, under these circumstances, make all this difference? Why did the Newfoundland Unit not have a uniform? It is submitted that the only reason is because the United Kingdom government wanted loggers and *wanted them badly and fast*. There was no time to provide the first contingent with uniforms. It was much less expensive for the Government to send them in their own civilian clothes and in fact the men could, most likely, work with greater ease and more comfort in these clothes than in uniforms. Two thousand (2,000) Newfoundland Overseas Forestry unit men were in Britain by February 1940 whereas the first contingent of Canadian forestry unit men did not arrive there until late 1940 and early 1941.

What difference, for example, is there between the Newfoundland forestry unit in the second world war and the first world war?

There is none except the uniform. It is the same difference now between the Canadian and Newfoundland forestry units.

What about the Newfoundland Militia who remained in Newfoundland but are completely covered under the Veterans' charter because they wore uniforms?

Assume for a moment that, when these men were asked to join up in the forestry unit, they were told they would not get any afterwar benefits unless they were in uniform. Is it not reasonable to assume that every man would have joined a service where he would be wearing the King's uniform or have returned home?

Ask any officer of the unit or the officials concerned in the United Kingdom Government what would have happened when they were pleading with the men to remain in the forestry if these men were told then that they would get no benefits? Not one man would have remained in the unit. They wanted to transfer to other services.

8. Now, it has been said that during the pre-confederation discussions with the Newfoundland delegates and the great War Veterans Association that it was made clear that there was no Canadian authority under which they might benefit.

It is respectfully submitted that neither the Newfoundland union delegates nor the great War Veterans Association were in possession of all the facts. In fact we venture to say that it was impossible for any person to put forth all the facts on which argument may be based except some person who was directly connected with the Unit. The Newfoundland Overseas Forestry Unit Association, was officially founded on October 1, 1944 and has a constitution and By-Laws in the same way as the great war veterans' association or any other such organization; but neither the Newfoundland Overseas forestry association nor any officer thereof was ever consulted by the Commission of Government at the time of the pre-confederation discussions. This was no doubt due to the untimely death of Lieutenant Colonel Turner on the way for Union discussions. A delegation, it is submitted, in fairness to the members of the Newfoundland Overseas forestry unit, should have accompanied the Great War veterans' association delegation to Ottawa at that time.

It is submitted that while, as has been said, the Commission of government of Newfoundland, prior to union, did not recognize the unit as members of the forces, it must be remembered that the Commission of government, while an authorized authority, it was not a democratic government; because if they were or even felt that way, they could never have brought themselves to appeal to the loggers to join this unit on the plea of the greater good they could do there than in the Armed forces and then, when the war was over, turn their backs on the members as though they were no use whatsoever in the war.

Is not that a far cry from the days when the United Kingdom Government and the Newfoundland Commission of government were frantically persuading the men to join the forestry unit by preference and refusing to allow them to transfer to the Armed Forces when once they were in the unit. Again it is respectfully submitted that the men who were members of the Newfoundland forestry unit were at a disadvantage as compared with forestry unit members of Canada and other countries only because Newfoundland did not have a democratic form of government at the time.

9. It was a fact well known to the Commission of government, the United Kingdom government and the officials of the Newfoundland overseas forestry

unit that, if it had not been for the continuous official visits, speeches, pleas and circulars, all dealing with the vital war work these men were performing, there would have been no Newfoundland forestry unit after 1940. The members would have either transferred to the Armed Forces as the majority wanted to do or they could have been making many times as much money at home and lived in comfort and safety.

10. Certainly there is nothing in the present Canadian veteran's charter and the Canadian civilian pensions and allowances act to provide particularly for members of the Newfoundland overseas forestry unit because the Canadian acts were passed before Newfoundland joined Confederation. However since the union is now a fact and since there was a Newfoundland overseas forestry corps, then there should now be an amendment to the acts to include the Newfoundland overseas forestry unit. In fact we have been advised and do verily believe that the Newfoundland overseas forestry unit is covered under the "Special Operators War Service Benefits Act" and this, at least, should be made to apply just as the veterans charter applies to members of the former great war veterans' association.

We submit with all sincerity and without fear of serious or conscientious contradiction that had there been a Canadian counterpart of the Newfoundland overseas forestry unit—that is, had the Canadian forestry corps not been in uniform—the necessary provisions would have been inserted in the veterans charter or the Canadian civilian pensions and allowances act and/or they would have been covered by the special operators war services benefits act.

11. It has been argued that the members of the Newfoundland overseas forestry unit were engaged on a civilian contract in the same way as civilians are now employed by the United States government for service in Greenland.

This, the members of the Newfoundland overseas forestry association consider absolutely untrue and a very unfair comparison.

For example:—The Newfoundland civilian employees at present in Greenland or any other place in the service of the United States government are paid as well as civilians on any other similar job in any country. They are given amenities such as recreation, leave, etc., which no member of the Newfoundland overseas forestry unit ever received. Their food and living accommodations are as good as that obtained in any country at peace. Finally they are working on a civilian project in a country which is not engaged in a life and death struggle and not liable to be invaded at any time.

12. It should be noted too, that the United Kingdom government, under whose Department of Supply, the Newfoundland overseas forestry unit operated, valued the services of the Unit sufficiently and considered them so much a part of the Defence of Great Britain and such a vital link in the prosecution of the war that they offered the members the same opportunities, for attending training courses as were given to United Kingdom members of His Majesty's Forces on their release.

We wish it to be understood that all statements of fact set forth herein can and will be backed up either by documentary evidence or by the sworn evidence of officers of the Newfoundland overseas forestry unit if and when required.

Respectively submitted on behalf of and with the consent, authority and approval of the Newfoundland overseas forestry association.

THOS. CURRAN,
President.

C. R. BAGGS,
Secretary.

ISAAC MERCER, Q.C.,
Solicitor.

The CHAIRMAN: Thank you very much, Mr. Curran. I believe you wish to add a resolution?

Mr. CURRAN: Yes, Mr. Chairman, I wish to add the following resolution, which is submitted by the Placentia branch of the Newfoundland forestry (overseas) unit. It reads as follows:

Be it resolved that the Placentia branch of the Newfoundland forestry (overseas) unit in meeting duly assembled on the 25th day of February 1960, at Placentia, Newfoundland, request the federal government of Canada to set in motion the proper mechanics to apply the benefits of the Department of Veterans Affairs in the same manner to the ex-foresters who enlisted in the Newfoundland forestry (overseas) unit, as is presently being applied and has applied to the Canadian forestry corps, and

Be it further resolved that copies of this resolution be forwarded to the leaders of the three political parties in the House of Commons at Ottawa for their earnest and practical consideration.

The CHAIRMAN: Thank you, Mr. Curran.

Gentlemen, Mr. Carter has to leave the meeting very soon and he would like the opportunity to ask the first questions. Under the circumstances, I think it is only fair to afford him that opportunity.

Mr. CARTER: Thank you. Mr. Chairman, rather than asking questions I would like to take a minute just to elaborate on one or two points that have been touched upon in the brief but which have not been of sufficient length to clear up questions in the minds of the members of this committee.

When the Newfoundland forestry unit was recruited for the second world war the people who offered themselves for service in that unit naturally would have in mind, as background, what happened in the first world war, and the fact that they went overseas without uniforms at that time did not appear to them to be of any great consequence, as they pointed out in the brief. From the standpoint of work, they could work better and more efficiently and, with greater comfort, in civilian clothes than they could in uniform.

Now, I do not think there is any doubt in any member's mind that the Newfoundland overseas forestry association have a very strong moral claim, and the only obstacle in their way is a technicality arising out of the fact that they were not recruited on a military basis and put in uniform. Actually, they were recruited on a military basis, but there is this point—which is stressed on several pages of this brief—that at that time Newfoundland did not enjoy a democratic government, and this is the point that I think should be emphasized in the minds of the hon. members of the committee. At that time the government of Newfoundland consisted of six individuals plus the governor. Of these six individuals three were Newfoundlanders, and they occupied only minor portfolios; the other three were appointed by the British government in London, and they occupied the major portfolios of public works, finance and communication. Now, the seventh member was the governor general—the counterpart of the governor general at that time—who was also an appointment of the British. He was a British national and appointed by the British government. So, in the cabinet which ruled the country at that time, the United Kingdom members always outnumbered the Newfoundland members—and the Newfoundland members themselves were not elected representatives of the people.

Had Newfoundland enjoyed a representative government, elected by the people themselves and expressing the will of the people, there is no doubt that the forestry unit in world war II would have been recruited along exactly the same lines and with the same prerogatives and benefits as was done for

the unit in world war I. They were recruited as a forestry corps, as a separate unit, and from that standpoint they are the same as any other unit. They were subject to military discipline, but they did not have the uniform and they were not given military status when they were set up.

Now, I am sure that every hon. member will concede that this sort of thing would not have happened in a country where the elected representatives would represent the will of the people. If the urgency was such that conditions could not be set up immediately at the beginning, then certainly it would have been corrected some time later during the war. I am sure the will of the people would have insisted on that being done. But because we did not have a government that reflected the will of the people, and the people had no opportunity of expressing their will in this matter, that was not done. And, of course, the members of the United Kingdom who governed Newfoundland at that time were not themselves freelancers; they had to take their orders from the British colonial secretary in London. He did not have authority to appoint a civil servant whose salary exceeded \$2,000. Although they may have been benevolent in some ways, I do not think it could be said they were benevolent in cases where the British taxpayers were concerned.

Mr. Chairman, that is the background which I think it is necessary for hon. members to have in order to appraise this situation. There is no difference between the Newfoundland forestry unit in world war II and world war I. The world war I unit is included in the veterans charter. There is just this technicality which prevents the world war II unit from getting the same benefits.

Mr. Chairman, I take pleasure in endorsing and supporting this brief. I am afraid I am late now for my appointment and, if you will excuse me, I will have to run along to the other committee. However, Mr. Batten is here, and he will be asking certain questions.

The CHAIRMAN: Thank you very much, Mr. Carter. Mr. Macdonald is next, and then Mr. McIntosh.

Mr. MACDONALD (*Kings*): Mr. Chairman, of course we have a number of people who come before us who are looking for veterans benefits and privileges under the veterans charter, and usually the crux as to whether or not they qualify is the terms of service. I would like to ask Mr. Curran a few questions in regard to the organization, and then the actual terms under which they joined up.

First of all, how large is your organization? How many people do you represent?

Mr. CURRAN: The association or the unit, sir?

Mr. MACDONALD (*Kings*): The association?

Mr. CURRAN: We represent about 1,000 members, sir; it is not compulsory.

Mr. MACDONALD (*Kings*): Do you have regular units throughout Newfoundland?

Mr. CURRAN: We have no branch, except one which was formed about two weeks ago; and one is in the course of being formed at the present time.

Mr. MACDONALD (*Kings*): Is this your first presentation to a veterans affairs committee?

Mr. CURRAN: Yes. We have discussed the matter with the authorities previously, but not with the committee.

Mr. MACDONALD (*Kings*): Has your association the support of the Canadian Legion in Newfoundland?

Mr. CURRAN: Yes. They had an executive meeting and they approved our brief. We are in receipt of a letter from them.

Mr. MACDONALD (*Kings*): Have they forwarded a resolution to the dominion command?

Mr. CURRAN: I could not say. I believe there is something coming up before the dominion command in June, but that is a matter for the provincial command.

Mr. MACDONALD (*Kings*): Could you give me a little further information on the actual attestation. Did you have a thorough medical examination?

Mr. CURRAN: Yes, as a rule. We had to be found fit, the same as the military—the very same examination.

Mr. MACDONALD (*Kings*): Did you join up for service only in the United Kingdom?

Mr. CURRAN: No sir. In fact, as I mentioned in the brief, we were going to form forestry companies. That was for service in France prior to Dunkirk; but owing to the invasion of France that was scratched.

Mr. MACDONALD (*Kings*): Did you have any casualties in your unit? You were not in enemy action?

Mr. CURRAN: Enemy action, no sir, accidents in our own jobs and sickness. We had quite a few. I could not say offhand—between 40 and 50, I think.

Mr. MACDONALD (*Kings*): That is all I have at present, Mr. Chairman.

Mr. WEICHEL: I was going to ask the gentleman if your unit was reinforced by service men in France by the chaps of German descent or German born that were not sent up in the line; would they go back to forestry as they did in the first war?

Mr. CURRAN: Well, there were a few ex artillery chaps and ex R.A.F. and we were asked to take them on.

Mr. WEICHEL: The reason I asked that question I know a lot of the boys could not go up to the front line because they were of German descent or German born and they went back into the forestry corps.

Mr. CURRAN: I think our total enlistment in Newfoundland was 3,400 and the whole strength was 3,500, which left about 100 people to either make up from the military, army, navy or air force or from the fellows who left and returned to the unit in the United Kingdom. But in Newfoundland they had to go with us, they were not accepted by the military. There were orders to the effect that no member of the Newfoundland forestry unit would be accepted in His Majesty's forces. Of course, some got through.

Mr. WEICHEL: My question was, what was the number in the unit?

Mr. CURRAN: The original number that went overseas in 1939 and January, 1940, was 2100.

Mr. WEICHEL: Well, I mean how many would be affected now; how many would this committee have to consider?

Mr. CURRAN: Well, that is a difficult question to answer. Newfoundland, as you know, is a very isolated province and it is a job to get around especially in winter. There were 335 men repatriated to Newfoundland on account of illness or compassionate grounds.

Mr. WEICHEL: You would have some discharges certainly where these ones could be recognized, would you?

Mr. CURRAN: Yes, all these would be in our mines and resources branch in the government.

Mr. WEICHEL: It would take some tabling, but that would give you the number you have today?

Mr. CURRAN: Yes sir.

Mr. BATTEN: Mr. Chairman, I do not think it necessary for me to make any extended comments on this. If I were to make any comments on this matter I could only say the same as has been outlined in his brief and the same as Mr. Carter has said. At the moment all I want to do is associate myself with this brief and to identify myself with the remarks made by Mr. Carter.

Mr. McINTOSH: On page 10 of the brief, Mr. Chairman, this statement is made:

This is the only reason that the members of the Canadian forestry unit are treated as ex servicemen while the members of the Newfoundland Overseas Forestry Unit are not.

I do not think that statement is quite correct although I stand to be corrected. Is that right, that the Canadian Forestry corps are treated as ex servicemen and that they get all the benefits of ex servicemen.

Mr. WEICHEL: Yes.

Mr. McINTOSH: I am talking about the forestry corps now in the first war. I do not think they do because I remember the delegation we had here last year and they were after certain—

The CHAIRMAN: Mr. McIntosh, maybe your questions ought to be directed to one of the officials, the deputy minister.

Mr. McINTOSH: Well, I thought I would preface this talk by the benefits the Canadian forestry corps got. Then I have a couple of other questions.

Mr. LALONDE: To the best of my knowledge, Mr. Chairman, some units of the Canadian armed forces were called forestry units. I am afraid that I cannot give you the details about them. I would have to ask national defence to give me their exact status and where they served but I believe there were some units of the Canadian armed forces which dealt with forestry work.

Mr. McINTOSH: Another question about this. They took the oath the same as the armed services?

Mr. CURRAN: Oh, very definitely, sir. They were members of the armed forces just like infantrymen or artillerymen.

Mr. McINTOSH: On page 3 I think you mention something about covenants that you signed. Was that an atestation or was it a covenant with whom?

Mr. CURRAN: Between ourselves and the Department of National Resources in St. Johns.

Mr. McINTOSH: Have you a copy of that covenant?

Mr. CURRAN: We have copies, yes. There were different contracts signed. The first original one was for six months and after 1940 it was signed for duration. After 1940 no one was allowed to join except they signed for duration.

Mr. McINTOSH: I wonder if that could be filed with the committee?

Mr. CURRAN: Yes, I can arrange it.

Mr. McINTOSH: I take it from your brief that you were not overseas or were you perhaps given an opportunity to join the armed services?

Mr. CURRAN: No, every restriction was put in the way to stop us from joining H. M. Forces. We were deliberately left in Newfoundland until we got these 2,000, and then there was restrictions after June 1940 for any organization not to accept any man with logging experience into the forces, to direct them into the forestry unit.

Mr. McINTOSH: Were you given any benefits on discharge at all?

Mr. CURRAN: None at all.

Mr. McINTOSH: Nothing whatever?

Mr. CURRAN: No, we remained in Britain, the unit, until the end of July, 1946 which was a year and four or five months after the war. At that time we were hardly known in Newfoundland.

Mr. MACRAE: Well, Mr. Chairman, Mr. McIntosh asked several questions or discussed several points I intended to bring up. I did want to make issue with some of the statements on page 10, section 4. First of all, I would like to say I have every sympathy for the delegation and what they are asking for, but I must take issue with that statement which says that the only difference between the Canadian forestry corps and the Newfoundland forestry unit was the fact that the Canadian forestry corps had a uniform or wore a uniform and others did not. I speak here strictly from experience because I served with the Canadian forestry corps for two years. I was there for the incorporation of the unit and the Canadian forestry corps, as the deputy minister has said, was a full unit of the Canadian army and it was attested, medically examined, trained, some of them fairly well trained, some of them sent overseas or until they were adequately trained from Val Cartier. But as Colonel Lalonde has said this was a unit of the Canadian forces and as such they were subject to immediate transfer and in 1943 most of the men were low category men. For example, we had men with one finger on one hand that they lost in the first war and so on, some of them very heavily pensioned but who got overseas in the Canadian forestry corps but just as the men in the Newfoundland forestry unit they did a marvelous job. I think it is a shame that a man who served in the Canadian forestry corps should be treated as if he did not do a thing. He did his part just as much as someone who stayed in Canada for the duration and stoked fires, and so on. But these men were subject to all the rules and regulations of the Canadian forces and, of course, some of them did not have as much training as others but they seemed to get it in the neck.

They were sent on courses and some of them were fairly well trained and some of them were subject to complete transfer. A great many were transferred, the younger men went to the artillery and the infantry and other units and many were killed. Many of them went to France and while in France were in the Battle of the Bulge and other places.

I must take issue with the statement that the forestry unit from Newfoundland—which was a fine group of men, mind you, but that the only difference between them and others was the uniform. I must take issue on that.

Mr. STEWART: I want to take issue with Mr. Curran as to the procedure as to the way you were inducted. You were given a medical?

Mr. CURRAN: Yes.

Mr. STEWART: Took the oath of allegiance?

Mr. CURRAN: Yes sir. And as a forest unit we remained at our homes until we were called up to go overseas.

Mr. STEWART: You signed a contract?

Mr. CURRAN: Yes.

Mr. STEWART: A contract for service?

Mr. CURRAN: Yes sir.

Mr. STEWART: And the terms of that contract were explained to you at that time?

Mr. CURRAN: That is right, very exactly.

Mr. STEWART: Have you a copy of one of those?

Mr. CURRAN: Yes.

Mr. STEWART: I think it should be filed with the committee.

The CHAIRMAN: We can have it filed and attach it as an appendix, Mr. Stewart.

Mr. CURRAN: If I might just say a few words to the previous speaker.

The CHAIRMAN: Just wait until Mr. Stewart gets through.

Mr. STEWART: As to discipline who were you under as far as discipline was concerned?

Mr. CURRAN: It was like a civilian organization, you could not call it military discipline, it was semi military. We had our restrictions. The men could not do exactly what they liked. Each foreman had a set of regulations laid down by the district and he had to see they were carried out.

Mr. STEWART: All civilian personnel?

Mr. CURRAN: Yes, Newfoundland had their own battalion of local militia.

Mr. STEWART: Thank you, Mr. Chairman.

Mr. CURRAN: If I might say a few words to the previous speaker in answer to Mr. MacRae. I worked with the forestry corps for the whole time of the war, I had some great friends in the Canadian forestry corps, we worked quite closely together and we supplied them with timber. The Canadian Forestry Corps for years supplied us with equipment of which they had plenty and we had none, being a civilian unit, and I think we got along very, very well. Some of my best friends were Canadian Forestry Corps. I have nothing detrimental to say about them. In fact, my very best friend was killed in the Canadian Forestry Corps, Allen Hubbard, and he transferred to the Canadian Forestry Corps and was killed in combat, so I have nothing to say about them.

Mr. HERRIDGE: Mr. Chairman, I must say I listened with great interest to what, to me, was a very interesting brief but what I am interested in is, I have been a member of this committee since 1945 and outside of an occasional reference to these boys, this is the first time we have had the history of them and of the circumstances surrounding the history of the Newfoundland forestry unit. I would like to ask the witness this question on that account, because I am very sympathetic to your organization's proposal. Why has your organization delayed an appearance before this committee until this late date?

Mr. CURRAN: Well, sir, we were dealing until the present P.C. administration came into power with the Veterans Affairs branch. We were not getting very far.

Mr. HERRIDGE: Whom were you dealing with?

Mr. CURRAN: I cannot say offhand. I think we had correspondence with the minister and the deputy minister.

Mr. HERRIDGE: Always with the department?

Mr. CURRAN: Yes.

The CHAIRMAN: Excuse me, gentlemen, for a moment, you are going pretty fast and the reporter is having difficulty.

Mr. CURRAN: We were not aware, our association, until the present P.C. government came into power that there was such a thing as a Veterans Affairs committee.

Mr. HERRIDGE: That is not the point. How did you become aware of this committee?

Mr. CURRAN: We took it up with our minister without portfolio, Mr. W. J. Browne, and he took it up with the Hon. A. J. Brooks, Minister of Veterans Affairs and he recommended we prepare a brief. It would have been presented last year, but owing to the unfortunate circumstances in Newfoundland last year with the loggers strike and I, being in the midst of it, we thought it better to lay it over.

This has nothing whatever to do with politics as far as I am concerned. This is not a political issue.

Mr. HERRIDGE: No, but I was interested in this long delay. I think you should have been before the committee in 1947 or 1948.

Mr. CURRAN: Well, we were not asked at the time of confederation. I guess you are aware of how quickly we got confederation in Newfoundland.

Mr. HERRIDGE: I am aware of it. You mentioned that you had the support of Newfoundland—I suppose it is the provincial command of the Canadian Legion. Have you a letter that you can have filed with the minutes of this meeting?

Mr. CURRAN: Have I the permission of the committee to read that?

Mr. HERRIDGE: Is it short?

The CHAIRMAN: Rather than have it annexed, we will have it read.

Mr. CURRAN:

Mr. Thomas Curran,
Gambo.

Dear Mr. Curran:

At a meeting of the executive council, Newfoundland command, Canadian Legion, held in November 1958, the position of the Newfoundland forestry unit, world war II, with respect to eligibility for war service benefits to the armed forces of Canada was discussed.

The council reaffirmed the decision of the Newfoundland command, as favouring the efforts of representatives of the forestry unit in obtaining recognition by the federal government.

Yours sincerely,
W. R. Martin,
Provincial Secretary.

Mr. HERRIDGE: Thank you, Mr. Curran. One more question. Did your forestry unit ever bring its case to the attention of the dominion command of the Canadian Legion?

Mr. CURRAN: I believe the provincial command did. I cannot say, but from the story I could get, it was not discussed. It was brought forward but I think the evidence was not there to present. I do not think they had a copy of our brief.

Mr. HERRIDGE: They were not well enough informed?

Mr. CURRAN: No, we will be getting before the dominion command in June in, I think it is, Windsor. We are hopeful of getting it before them.

Mr. HERRIDGE: One final question. I notice in your brief you refer to a Colonel Turner. Was he O.C. of the forestry unit?

Mr. CURRAN: Yes, sir, lieutenant-colonel Turner was the chief forestry officer in the Department of Mines and National Resources in our provincial government in Newfoundland prior to world war II, and immediately on the formation of the Newfoundland forestry unit, he was appointed officer in charge and served overseas all through the war.

Mr. HERRIDGE: Was the title of colonel an honorary title because of previous service, or was he also recognized as colonel of the unit?

Mr. CURRAN: No, he went over as a captain in the Canadian army in the first world war. In the second world war he was appointed O.C. by the war office as a lieutenant-colonel of the home guard battalion in Scotland.

Mr. HERRIDGE: Which was identified with your unit?

Mr. CURRAN: It was composed of nothing but Newfoundlanders.

Mr. CARTER: I just wondered if we could elaborate on that point that Mr. Curran has explained. Colonel Turner was charged with the organization of this particular unit and he accompanied you overseas, did he not?

Mr. CURRAN: Yes.

Mr. CARTER: And he was your officer in charge while you were there? He was the Newfoundland officer in charge of this unit?

Mr. CURRAN: Yes.

Mr. CARTER: At the time of confederation, when the terms were being negotiated, Colonel Turner was one of the delegates coming to Ottawa, one of the officers to advise about matters of this kind. Unfortunately, he died, I think, on the way.

Mr. CURRAN: He died here in Ottawa.

Mr. CARTER: So the delegation was not able to get the advantage of his advice. That would be in 1948?

Mr. CURRAN: Yes.

Mr. HERRIDGE: A very unfortunate death for you people?

Mr. CURRAN: Yes, I personally too.

Mr. ROGERS: Mr. Chairman, I would like to ask the witness if there was any similar force such as yours in Great Britain?

Mr. CURRAN: No, I do not think so, not from overseas. There was the Canadian Forestry Corps and Australians and New Zealanders. Of course there were home units but none from overseas.

Mr. ROGERS: So you would not have any comparison to make with their own forces employed in the same manner?

Mr. CURRAN: No.

Mr. ROGERS: Have you made any representations to Great Britain for recognition?

Mr. CURRAN: No sir, none whatever. We joined confederation about two years after we came back from overseas and that broke off relations completely with the United Kingdom. We have to depend on you now.

Mr. BEECH: Mr. Chairman, I would like to know in what way this differs from the Canadian firefighters or the merchant marines? We are having trouble with them.

The CHAIRMAN: Is there any one of the officials who can answer that?

Mr. LALONDE: I am afraid, Mr. Beech, that I do not know how to answer that. Is there any difference between this unit and the civilian firefighters? In what way?

Mr. BEECH: Well, they were in uniform, the firefighters.

Mr. LALONDE: Yes, they wore the uniform of the firefighters. Do you mean the way they were formed or the way they operated?

Mr. BEECH: Yes, were not the Canadian firefighters under some sort of contract the same as the merchant marine and these other people?

Mr. LALONDE: Yes, the civilian firefighters, if you recall, when the brief was discussed in committee last year, indicated that they had signed an agreement to serve in the corps of Canadian civilian firefighters and that agreement was placed on record.

Mr. BEECH: What I am trying to find out is that if the firefighters and the merchant marine are entitled to some benefits, would these people not be entitled to some benefits as well?

Mr. LALONDE: I am afraid I do not know, sir, because the Canadian government at that time decided to give some benefits to the merchant marines and the Canadian firefighters. That is the only reason I can give you.

Mr. ORMISTON: The contracts with the forestry unit were with your government?

Mr. CURRAN: With the Newfoundland government, yes.

Mr. WEICHEL: I was interested in Colonel Turner and where he came from. The other thing was a matter of curiosity. At the bottom of the last page this brief says: "Office of the King's Printer". Is this a republication?

Mr. CURRAN: No, that is the original brief which is quite a few years old. I know we paid for it anyway.

Mr. MACEWAN: Mr. Chairman, I would like to ask Mr. Curran, I understand from the first page of your brief that your association believes that there is sufficient legislation on the books of the federal government in Canada today to cover you?

Mr. CURRAN: If the necessary amendments could be made to include us.

Mr. MACEWAN: These different acts you have detailed—the Civilian War Pensions and Allowances Act, the Special Operators War Service Benefits Act and so on. Do you think they could be made applicable to you?

Mr. CURRAN: I think so, sir. As we said in the brief, at the time the various veterans acts were formed here in Canada, there was no thought, I hope, of including Newfoundland because Newfoundland was not in confederation at that time.

Mr. MACEWAN: Do you think your solicitor, Mr. Mercer, looked into that?

Mr. CURRAN: Yes, he did.

Mr. CARTER: May I ask Mr. Curran on that same point: I understand from your brief what you were really asking for is to be accorded the same status as was accorded by the Canadian government to the members of the world war I forestry unit. That is your prime objective?

Mr. CURRAN: That is it exactly.

Mr. WEICHEL: I would like to ask this question: you read that letter from the provincial command of the region?

Mr. CURRAN: Yes, sir.

Mr. WEICHEL: Did I understand that that was never taken to the dominion command?

Mr. CURRAN: No, sir, we are hopeful of getting it there this year, this coming convention but that is a matter for the provincial command, not for our association. We can only ask them to do it.

Mr. WEICHEL: When was the Veterans Affairs committee first formed, the standing committee?

Mr. LALONDE: The first Veterans Affairs committee was formed in 1944 and the first standing committee was in 1957, Mr. Weichel.

Mr. WEICHEL: I was wondering why they would not bring it up before.

Mr. CARTER: They applied for hearing last year but their application did not arrive soon enough.

Mr. FORGIE: I have a question to ask on paragraph 12 on the last page:

It should be noted too, that the United Kingdom government, under whose Department of Supply, the Newfoundland Overseas Forestry Unit operated, valued the services of the Unit sufficiently and considered them so much a part of the Defence of Great Britain and such a vital link the prosecution of the war that they offered the members the same opportunities, for attending training courses as were given to United Kingdom members of His Majesty's Forces on their release.

They valued your services but not to the extent of doing something in a financial way for you.

Mr. CURRAN: That is right, sir. There is one point. If consideration did not come about, if we had had our own former government at the present time, there is no doubt in anybody's mind in Newfoundland but that we would have had the same benefits as our Newfoundland militia, but the fact is we were 3,000 strong and we were too big a unit to be ignored, but in Canada we are very small.

Mr. HERRIDGE: That is, you would be more influential in Newfoundland than in Canada as you are?

Mr. CURRAN: Yes.

Mr. FORGIE: What was your total enlistment in the Newfoundland forestry unit?

Mr. CURRAN: 3,500.

Mr. FORGIE: Regarding these uniforms being discussed, was that ever discussed with the British government?

Mr. CURRAN: Yes, sir.

Mr. FORGIE: What was their reply?

Mr. CURRAN: I think it is mentioned in the brief, page 2, section 2:

Why was the Newfoundland overseas forestry unit set up?

(a) War was declared by the King against Germany on September 3rd, 1939 and as soon as possible thereafter the Governor of Newfoundland informed the Secretary of State for Dominion Affairs that Newfoundlanders were anxious to get into the fight and wanted to form a combatant unit.

That is the point. That was a message from the Newfoundland governor to the dominion's office which ran Newfoundland at that time.

(b) By telegram No. 416 dated 9th November 1939 the Secretary of State for dominion affairs impressed upon the Newfoundland governor the dire necessity for Newfoundland to send a labour unit immediately to the United Kingdom—

In other words, there would be too much time lost in recruiting military, equipping them and training them, and that was well borne out, I think, as members will agree, because we got there in February and were operating in February 1940, and the Canadian forestry corps did not come into production until late 1941, I think it was.

Mr. FORGIE: In other words, the British government did everything to dissuade you from going into uniform?

Mr. CURRAN: Well, I spent about half my time overseas going around with various dominion members of the official British government, speaking to the men, asking them to stay on, that they were doing a much better job for Britain than if they joined the forces.

Mr. FORGIE: Then you became a part of the home guard, did you not?

Mr. CURRAN: Yes, we formed our own battalion.

Mr. FORGIE: When was a uniform issued to you in the home guard?

Mr. CURRAN: 1942. We were the first unit of the home guard that got 303's. The rest were, I think, French or American rifles.

Mr. FORGIE: This unit, you say, never actually served in France?

Mr. CURRAN: No, only in Britain.

Mr. FORGIE: What were your duties in 1946? You were held over there in England?

Mr. CURRAN: We were asked to remain over as there was necessity for wood in Britain after the war as urgently as needed in, say, 1940.

Mr. FORGIE: Is it accurate to say it would have been difficult, if not impossible, for you to transfer from the forestry unit to any other combatant unit?

Mr. CURRAN: After 1940, sir, it was impossible. Before 1940 the first original 2,000 men could return home at the end of six months or could join the forces, but at that time we had many visits pleading for the men to remain in the unit, and I think we did lose 750 men out of the original 2,000, who came back home and joined the forces again, but they joined the British forces.

Mr. LENNARD: I would like to ask Mr. Curran if those units ever received clothing allowances or issues of clothing?

Mr. CURRAN: No, we had to pay for everything.

Mr. LENNARD: You never had any allowances?

Mr. CURRAN: Nothing whatever, we had no dependent's allowance or anything like that, a straight deal—single men, married men, all alike, \$2 a day. In fact that is a point I should like to bring up. To the civilians in Newfoundland the minimum pay was \$2 a day. When we came back home in 1946 the pay was at \$6.30. When I came back home my salary was \$5 as superintendent.

Mr. ORMISTON: What was it before you left?

Mr. CURRAN: It was \$2. A logger in civilian life, prior to 1939, the pay was \$2, and when we came back it was \$6.30. Loggers got an increase in 1944 of 20 per cent, which brought their pay to \$2.40 a day on which they had to leave half home to their dependents.

Mr. FANE: Mr. Chairman, most of my questions have been pretty well answered, but there are two short ones that I would like to have confirmation on. Did you say in answer to Mr. Forgie that these men were fully armed at all times?

Mr. CURRAN: No, only the men who joined the Newfoundland home guard. The maximum strength of that was 739 or up to 800.

Mr. FANE: That means they did not carry arms when they were overseas?

Mr. CURRAN: No.

Mr. FANE: And did you receive military training, drill?

Mr. CURRAN: Yes, in fact all our men took courses with the regular British army, in fact a lot of them trained as commandos. They did it in their spare time with loss of pay.

The CHAIRMAN: Without pay?

Mr. CURRAN: In fact they lost their unit pay by going away, and they took their six days' leave and went off and trained.

Mr. FANE: You would have the full military training then?

Mr. CURRAN: I would not say full, it was impossible under the circumstances to get full military training. With all men working for eight hours a day they could not train very well afterwards.

Mr. DINSDALE: Mr. Chairman, I am interested in the progress of this brief. When was it first presented to anyone?

Mr. CURRAN: It was prepared to be presented in 1952 or 1953.

Mr. DINSDALE: Presented to whom?

Mr. CURRAN: I cannot say. You will have to ask our solicitor. He came up to Ottawa, he went to the Department of Veterans Affairs, I believe, and he did not get very far there so he packed up and came back home.

Mr. DINSDALE: It was not prepared to be presented to the veterans affairs committee at that time?

Mr. CURRAN: No, we did not know about the standing committee until 1958, I believe.

Mr. DINSDALE: But there were committees in 1952, 1954 and 1956.

Mr. CURRAN: We would not be acquainted with any of that.

Mr. DINSDALE: There is another point about Colonel Turner. He was going to discuss this problem at the time of confederation but unfortunately he died.

Mr. CURRAN: Yes. He came up here on matters for the department of mines and resources of Newfoundland. He was the chief of the forestry branch of the department of mines and resources of Newfoundland.

Mr. DINSDALE: Was there no one who could substitute for him?

Mr. CURRAN: No sir. At that time we were scattered all over Newfoundland and it was hard to get together.

Mr. DINSDALE: There was no second in command or no one who was subordinate to him?

Mr. CURRAN: The only man who was in the forestry branch of the department of mines and resources in Newfoundland who was also overseas and remained with the unit was Colonel Turner. There were others who returned to civilian life on their return.

Mr. DINSDALE: It seems that your request is that you get some status under the Canadian Civilian Pensions and Allowances Act.

Mr. CURRAN: We would like to get in under the Canadian veterans' charter and if we cannot we are asking that the Canadian Civilian Pensions and Allowances Act be amended to include us. Some of our members are in very poor circumstances. I have a letter from a chap who signed up for the duration. He wanted to join the navy and was turned down because he had signed up in the Newfoundland overseas forestry unit. He was repatriated as sick and for fourteen years has been unable to work and is not receiving a pension from any source, except welfare. It was no fault of his he stayed in the unit. Had he not been turned down he would have been in the navy. This is an example of the type of cases we are fighting for.

Mr. DINSDALE: As I understand it, most Newfoundland units have now been brought under the veterans charter for Canada. I would like to ask the deputy minister if recognition under the Canadian veterans charter depends upon the initial recognition by the United Kingdom government as military forces?

Mr. LALONDE: The only answer I can give you is that it was all part of the terms of union and these terms were discussed at that time between the representatives of Canada and of Newfoundland and they agreed upon certain terms which were later incorporated in the agreement.

Mr. DINSDALE: But apparently this particular group did not come under discussion at the time of the confederation negotiations.

Mr. LALONDE: I hope you will realize that none of the present senior officials were there at that time. I can only go by what we have in the record.

Mr. HERRIDGE: That might be interesting.

Mr. LALONDE: Our records show that—and I submit this to you with the reservation that I have no personal knowledge of this, and neither have the present senior officials—the only officials who have reported on this are Dr. Woods, who was the deputy minister at that time, and Brigadier Melville, the then chairman of the Canadian pension commission.

This is the way Brigadier Melville reported in 1950. He says:

The situation which must be borne in mind is that during the course of the meetings which were held in Ottawa to discuss the proposals for union the Newfoundland delegation brought up the case of these forestry personnel. Their status was reviewed and the opinion arrived at

was there was no enabling Canadian authority by which they could become eligible. Later on when further meetings took place to discuss the terms of union, this subject came forward again and it was made quite clear we had no Canadian authority, nor was it considered the circumstances of their occupation were such as to warrant special consideration.

Later on General Burns reported on a discussion which he was reported to have had with Dr. Woods. Again, this is in 1950. He says:

It has been intimated that the full facts with respect to the service of the forestry unit were not discussed previous to union, but I must say that during the course of the meetings which were held in Ottawa to discuss the proposals for union the Newfoundland delegation brought up the case of these forestry personnel.

Then the conclusions were the same as Brigadier Melville cited.

Mr. CARTER: Does it say who came to this conclusion?

Mr. LALONDE: It just says the people who discussed the terms of union.

Mr. CARTER: But somebody on behalf of the Canadian government came to those conclusions. Who were these people?

Mr. LALONDE: I am afraid I do not know who represented the Canadian government in the discussions for the terms of union. I am not aware of that. Perhaps I might be able to find out by looking through other records.

Mr. CARTER: Obviously Brigadier Melville was present when this was going on.

Mr. LALONDE: I am quite certain he was. He was present in his capacity as chairman of the Canadian pension commission.

Mr. ROGERS: In what capacity was General Burns?

Mr. LALONDE: He was not there. General Burns reports on what Dr. Woods told him.

There is one thing in the record I would like to correct because I do not want to leave wrong impressions. This matter was taken up with the Department prior to 1950 by the association, and it was not until the end of 1958 or the beginning of 1959 that it was taken up again with the department.

Mr. CURRAN: Early in 1958.

Mr. DINSDALE: Apparently then it was fairly thoroughly discussed at the time of the confederation negotiations.

Mr. LALONDE: I have no personal knowledge of it.

Mr. CURRAN: I have had correspondence with our premier, and he states in his letter which we have here that he had no knowledge of the workings of the Newfoundland forestry unit, nor would any of the Newfoundland delegates be able to fairly discuss it.

Mr. HERRIDGE: Do you have that letter here.

Mr. CURRAN: Yes.

Mr. HERRIDGE: I think it would be very interesting.

Mr. CURRAN: Also we have a record of two meetings of the great war association in which it is stated they were in no position whatever to plead for us. They had troubles enough of their own. It was mentioned, but there was no one there who knew the facts.

Mr. STEARNS: Would the files of the late Colonel Turner throw any light on this? Have you ever made any search of his files?

Mr. CURRAN: No. I had permission to go through the files of the Newfoundland forestry unit. I also had permission from Mr. Chadwick, who was the

representative in London, to see some of the other correspondence; but we never did see Colonel Turner's notes.

Mr. STEARNS: Was he not Minister of Mines?

Mr. CURRAN: He was chief forestry officer.

Mr. STEARNS: Of the department of mines and resources?

Mr. CURRAN: Yes. I went through their files.

Mr. CARTER: In order to clear up a point, are we having the letter to which Mr. Curran referred tabled; that is the letter from the premier.

The CHAIRMAN: If the committee so wishes.

Mr. CURRAN: It is a quite long letter.

The CHAIRMAN: Would it be in order to have it attached as an appendix?

Agreed.

The CHAIRMAN: It could be returned to you later.

Mr. FORGIE: Who made Colonel Turner a colonel? Apparently he was chief of the forestry and became a lieutenant-colonel. Who appointed him?

Mr. CURRAN: The British war office, the Scottish command. All officers of the Newfoundland battalion of the home guard retained their honorary rank after the war, not only Colonel Turner.

Mr. WEICHEL: I would like to ask the deputy minister a question. Was the home guard during the second war under the supervision of the Canadian army? Did they enjoy all the privileges?

Mr. LALONDE: We had no Canadians serving in the home guard overseas. Do you mean the Canadian militia in Canada?

Mr. WEICHEL: I mean the veterans guard. I believe they came under the supervision of the Canadian army.

Mr. LALONDE: The veterans guard who served in Canada in world war II were attested into the Canadian army.

Mr. WEICHEL: The home guard was under the United Kingdom government.

Mr. CURRAN: Yes.

Mr. CARTER: The veterans guard was composed of veterans of the first war who were inducted into a special unit in the Canadian army.

Mr. LALONDE: Yes.

Mr. CARTER: The point I want to clear up is this. Colonel Lalonde quoted from his files and said there was a gap in the approaches from 1952 to 1958. That is in the approaches from the Newfoundland forestry unit to his department. There is something on the file for 1949 or 1950 but there is nothing else on the file until 1958. Is that right?

Mr. LALONDE: The last letter I have on file addressed to the minister is in 1958. It is addressed to the hon. Mr. Brooks. The previous letter is one that was sent by the hon. Mr. Gregg in June 1960 to the hon. Mr. Joseph Smallwood. There is none in between those two.

Mr. CARTER: Mr. Curran said he had been dealing with the department. May I ask when your association started dealing with the Department of Veterans Affairs or the Canadian government.

Mr. CURRAN: I think we started about 1949 or 1950.

Mr. CARTER: With the Canadian Government.

Mr. CURRAN: Yes sir.

Mr. CARTER: That does not show on the file.

Mr. LALONDE: Yes. This letter from the hon. Mr. Gregg is a reply to a letter from the premier of Newfoundland.

Mr. CURRAN: On July 3, 1950, there was a letter.

Mr. LALONDE: I think that was signed by General Burns.

Mr. CURRAN: But this is from the premier, Mr. Smallwood.

Mr. CARTER: Can you tell us how long it took you to accumulate the information which was required to prepare for this hearing.

Mr. CURRAN: A matter of three or four years, sir. We have no full time staff. We all have to earn our livelihood and we are scattered from the west coast to the east coast and it is only on certain occasions we are able to get together to prepare the brief. Also we had to deal with the dominion office and the Newfoundland government to get some of the material.

Mr. DINSDALE: Was this brief not prepared in 1951?

Mr. CARTER: When you started to come before this committee you had to start to document the statements in order to back up the evidence.

Mr. CURRAN: We tried in 1949, 1950 and 1951, I believe, and got no where. We did not even get to first base. Then we had a change of government in 1957 so we made an approach again. We have no large amount of funds and we could not keep on pushing all the time. When we had the change of government, let us say we got to first base.

Mr. HERRIDGE: Is it correct to say in the first instance that premier Smallwood did not press this in the negotiations with respect to confederation because he had no knowledge of this.

Mr. CURRAN: Yes.

Mr. HERRIDGE: And your organization was not aware until 1957 or 1958 that you could appear before the veterans affairs committee.

Mr. CURRAN: Yes. We had no one to go to. We approached the Department of Veterans Affairs in 1951 and got nowhere.

Mr. HERRIDGE: The minister and the officials were quite correct. They were simply interpreting the legislation on the books.

Mr. DINSDALE: Mr. Chairman, does the letter from Mr. Gregg cover this situation?

Mr. LALONDE: Actually Mr. Curran was quite right in correcting me. I had overlooked one subsequent letter.

There is a letter of July 25, 1950 from the hon. Mr. Gregg to the hon. Mr. Smallwood in reply to his letter of July 3. As a matter of fact, there are two letters, one of July 20, 1950, and one of July 25, 1950. They are follow-ups to Mr. Gregg's letter of June 3, 1949.

If the committee wishes me to do so, I might have copies made and have the whole of that correspondence tabled, because I do not think you can read one letter without reading the others.

Mr. HERRIDGE: That is a good suggestion, I think.

The CHAIRMAN: Is it agreed?

Agreed.

Then we will have these letters given to us as an appendix with the other correspondence, so that it will be all together. Now, Mr. Macdonald.

Mr. MACDONALD (Kings): Mr. Chairman, I have a couple of small questions to ask Mr. Curran. Would he tell us if he has ever made a representation to the Canadian Legion to Newfoundland and it has been rejected?

Mr. CURRAN: No, we have never made a representation. We have always discussed it in correspondence and verbally.

Two years ago, in 1958, at an executive meeting, they took up the question and we gave them a copy of our brief, and they went on record as favouring the efforts of the representation.

Mr. MACDONALD (*Kings*): Have you any knowledge as to whether or not they forwarded it, or took it up with the Dominion Council?

Mr. CURRAN: I believe so; I believe it was taken up at Vancouver, or on the west coast, at a dominion command conference, but they did not have any evidence to present at the time.

Mr. MACDONALD (*Kings*): I have attended all the conventions since 1948 and I do not remember the matter being brought up.

Mr. CURRAN: I do not think it was ever discussed. Evidence was not available to be presented, so they did not speak on it.

Mr. MACDONALD (*Kings*): I have a couple of questions on the home guard service in England. Were you issued with uniforms while training with them for operations?

Mr. CURRAN: Yes, we had the full British uniform.

Mr. MACDONALD (*Kings*): Was your enlistment voluntary?

Mr. CURRAN: Absolutely, and I have correspondence here which I could file. You might like to have copies concerning the reports from our Brigadier Davenport, who was in charge in the north of Scotland during the war.

Mr. MACDONALD (*Kings*): Have you any idea of how many volunteered?

Mr. CURRAN: A battalion of four companies, numbering approximately 800 men.

Mr. MACDONALD (*Kings*): Is there any responsibility on the part of the United Kingdom government? That is a difficult question, I appreciate, but do you think there is any responsibility on the part of the United Kingdom government to provide some assistance?

Mr. CURRAN: I am afraid I cannot answer that question. The men who joined the home guard did so quite voluntarily. They were not forced to join in any way.

For one reason, they wanted to form a striking force in case of invasion. Troops were very scarce in the highlands. Previous to 1942 the men had joined up with local units of the home guard. But it was decided in 1942 to form them into one unit which would be strictly mobile and able to get to any place in Scotland in a hurry.

Mr. CARTER: The opportunity to enlist in the home guard provided an outlet for those people who wanted to get into active service in one of the military services, but were unable to do so because of their contract, which prevented them; and this provided an alternative opportunity for them to do the next best thing, in their minds, to being engaged in active service.

Mr. MACDONALD (*Kings*): Before Newfoundland joined Confederation, did you ever request some particular status from the United Kingdom government?

Mr. CURRAN: No, not from the United Kingdom government, but from the Newfoundland commission government. And we got preference on the land system next to the veterans. That is as far as we got before Confederation came in.

Mr. MACDONALD (*Kings*): When a man was injured in your unit, he was looked after by the workmen's compensation board, was he not?

Mr. CURRAN: Yes.

Mr. MACDONALD (*Kings*): That was for as long as his period of enlistment?

Mr. CURRAN: No. If he were injured seriously, and had to be repatriated, he would be given a small lump sum payment. In other words, the British government did not want to have any responsibility on this side of the Atlantic. When a man left Britain he was finished with collecting any payment. He was given a lump sum payment in Britain.

Mr. HERRIDGE: What would that lump sum be?

Mr. CURRAN: I know of one person who received \$1,000 for his son being killed.

Mr. MACDONALD (*Kings*): Have any of your personnel ever submitted a case to the Canadian government for pension?

Mr. CURRAN: I do not think so. There may have been private correspondence from people however.

Mr. ORMISTON: Were any of your members injured while taking part in manoeuvres for the home guard?

Mr. CURRAN: No.

The CHAIRMAN: Are you permitted to join the Canadian Legion?

Mr. CURRAN: That matter is coming up in June. Newfoundland Provincial Command has gone on record with a resolution before the Canadian Legion convention in June. I discussed the matter with the provincial command.

The CHAIRMAN: Are there any more questions?

Mr. ORMISTON: May I ask the witness if the British home guard received any remuneration? Did you receive any payment while you served with British home guard?

Mr. CURRAN: No, nothing at all.

Mr. ORMISTON: You received just your uniform?

Mr. CURRAN: Just the uniform, that is right.

Mr. WEICHEL: Unless this brief is given favourable consideration, you probably could not join the Legion?

Mr. CURRAN: I could not say anything about that.

Mr. WEICHEL: You could not join the Legion unless this brief is regarded, or received, in your favour.

Mr. CURRAN: In the Newfoundland forestry unit, a very large percentage of the people from Newfoundland served overseas. We are a very small province, yet there was a very large company from Newfoundland.

Mr. WEICHEL: Perhaps Mr. Anderson could speak to the matter. Could Mr. Anderson answer my question about these gentlemen joining the legion?

Mr. T. D. ANDERSON (*Chairman of the Canadian Pension Commission*): What is that, please?

Mr. WEICHEL: Somebody said I was wrong when I asked if they could join the Legion. I do not think they could unless this brief is favourably considered.

Mr. ANDERSON: I do not think they are eligible for membership right now, but Mr. MacFarlane from the Legion could answer the question better than I.

Mr. MURRAY MACFARLANE (*Chief Claims Officer Canadian Legion*): I could not tell you whether they are eligible for membership or not. I suppose that former merchant seamen and some others who have had service on the high seas or service in a theatre of active war are eligible, but I cannot tell you whether or not the members of this unit are eligible.

Mr. HERRIDGE: They should be. The Legion is a democratic organization, and the matter will be a decision of the dominion convention.

The CHAIRMAN: Are there any more questions? Do you wish to add anything, Mr. Baggs?

Mr. C. R. BAGGS (*Secretary of the Newfoundland Overseas Forestry Unit*): I do not think so. I think Mr. Curran has fully covered everything that I might have to say.

The CHAIRMAN: Mr. Baggs has handed me several documents. The first one is entitled Newfoundland Overseas Forestry Unit Engagement Contract. And then there is another engagement contract which is entitled Special Engagement in the United Kingdom. But there does not seem to be any dates mentioned.

Mr. CURRAN: Perhaps I might explain that.

The CHAIRMAN: And then there is a third document entitled Newfoundland Overseas Forestry Unit Engagement Contract.

These are indicated or noted as 3C, 3B and 3A; and there are some blank forms which are marked 3D, and a renewal. Then there is another one here marked 3F, and entitled Newfoundland Forestry Unit Form of Engagement.

What is the wish of the committee in respect to these documents? Do you wish copies of them to be made an appendix to the minutes of today's meeting?

Agreed.

Mr. CURRAN: May I say a few words about these contracts?

The CHAIRMAN: Yes.

Mr. CURRAN: As I mentioned before, the first 2,000 men who went overseas signed this six month contract. Then at the end of those six months the men were asked to re-sign for another six months, or to sign up for the duration of the war. A lot of people would not sign up for the duration, but they were perfectly willing to sign for periods of six months at a time. That is why we have so many different contracts. It was always impressed on the men, however, that we should join for the duration.

Mr. BEECH: Were you signed up to serve anywhere?

Mr. CURRAN: We intended to serve in France, but we did not get there.

Mr. DINSDALE: There seems to have been some policy decision made back in 1950 in this matter. Does the correspondence indicate what it was?

Mr. LALONDE: Yes, but I have just had a horrible thought. I am afraid I have infringed on parliamentary procedure by suggesting the tabling of correspondence between the government of Canada and a province. I forgot to say that it should be subject to the usual reservations.

The CHAIRMAN: I think the chairman fell down there as well. He overlooked it too. But I think it is understood, is it not?

Mr. HERRIDGE: I am sure the committee realized it.

Mr. DINSDALE: If there has been a previous policy decision on this matter, then any deliberations of this committee have to be in line with the previous policy decision, it seems to me.

The CHAIRMAN: I think that is a matter for the committee to deal with at a later time. Have you covered your case as well as you can, Mr. Curran?

Mr. CURRAN: Yes, I think so.

The CHAIRMAN: Well, I would like on behalf of the committee to thank you. I think I speak for all members of the committee when I say we have enjoyed your presentation and we welcome you here.

I do not know what the result will be, as this is beyond our terms of reference for this year, and that, we cannot make a recommendation to the government, because the matter has not been referred to us.

However, you are in this position: you have your case now on the minutes, and it is here before the standing committee. That, of course, is public material and is available to the department. So I think you have at least taken one good step. The result, of course, we will have to wait to see.

Mr. CURRAN: I hope that the next step will not take so long as this one, or we will find we are getting the old age pension and we will not need this.

Mr. HERRIDGE: I think all members of the committee have certainly enjoyed the witness' informed and very direct answers.

The CHAIRMAN: That is right. Now, it is a quarter to one. Is it your wish that we adjourn now? But just before I ask you about adjournment I must state that Mr. Anderson, chairman of the Canadian pension commission, will be away after Easter. I wonder if he would mind telling the committee when he could be here.

Mr. ANDERSON: I would like to arrange if possible to have our estimates before the committee at the next meeting because, as you will realize, there will not be another meeting of the committee until after the Easter recess. I must make a trip to western Canada to visit our district offices. I have not had an opportunity to do so yet, and I have to do it sometime this spring. So I would like to get away in May if I can. Therefore, unless you are able to deal with the question of our estimates at the next meeting, I will very likely be absent from Ottawa at the time you do come to deal with them.

The CHAIRMAN: Our next meeting will be on April 7, and the next meeting following that will be April 28. Do you think you would be available for those two meetings?

Mr. ANDERSON: Yes, I am sure I would be.

The CHAIRMAN: Very well. Will the members please note that we will be taking up items 472 and 474 next week, and if we fail to finish with them, we will continue with them on April 28.

Mr. ANDERSON: Perhaps we might make this subject to the minister's approval, because I think the committee would want to have him present when the pension commission estimates are under discussion.

The CHAIRMAN: I know that Thursday is a bad day for him, but we will try to get him.

Mr. BEECH: Mr. Lalonde mentioned that the mileage rate per car in his department was down to five cents. I understand there has been some change made in other departments. Is that change going to be extended to those who have to apply for treatment in our establishments?

Mr. LALONDE: I am afraid I did not talk about that matter. The only thing I said was when we were discussing the cost of departmental vehicles, that our average cost was five cents per mile. But what you are referring to now is our payment to veterans who come in for treatment. We have not talked about that yet. That will come under the treatment vote.

The CHAIRMAN: A motion to adjourn is in order. The meeting stands adjourned until Thursday, April 7th at 11 a.m.

APPENDIX "A"

NEWFOUNDLAND OVERSEAS FORESTRY UNIT
ENGAGEMENT CONTRACT

I, agree voluntarily to serve in the Newfoundland Overseas Forestry Unit, in the United Kingdom as a civilian woodsman until six months after the date of my arrival in the United Kingdom, on the following terms and conditions:

1. I shall work faithfully and industriously in any such work as normally forms part of a logging and sawmill operation in the United Kingdom; obey the orders of foremen, superintendents and other persons in charge of operations; and generally behave in an orderly and law-abiding manner.

2. I am to be provided free transportation from my home in Newfoundland to the United Kingdom and—when my period of engagement is ended—free transportation back to my home in Newfoundland.

3. When the period of this engagement ends, I am to have the option of returning home, or of re-engaging for the duration of the war or for a further definite period for which my services may be required.

4. Should I desire, subject to the approval of the Chief Overseas Forestry Officer, to enlist in any of the fighting or other services I am to be allowed to offer myself, provided I give sufficient notice to allow my place in the Newfoundland Overseas Forestry Unit to be filled.

5. If I am dismissed for unsatisfactory work or conduct, I am to be sent home at my own cost.

6. I am to be paid at the basic rate of \$2.00 per working day, and found; that is, board, lodging, bedding, tools and medical service are to be free. For time lost on account of sickness, I am to be paid at half my regular rate of wages. In the event of my being incapacitated by illness or accident, I am to be returned home as soon as possible without charge to me.

7. If I am promoted to a higher grade, my wages are to be increased to the rate decided upon for the position to which I am promoted.

8. My pay and my period of service will begin on the day on which I am instructed to leave my home in Newfoundland for the United Kingdom and will continue until I am returned to my home.

I authorise to pay to
..... the sum of \$..... monthly, and to deduct same from my wages.

Signed

Witness

Signed on behalf of the Newfoundland Overseas Forestry Unit

Signature

Date Witness

..... is promoted to the grade of
..... with pay at the rate of \$..... per day and found, as from this date.

Date

.....
Signed on behalf of
the Newfoundland Overseas Forestry Unit

1. Newfoundland Address:
2. Next of Kin:
3. Next of Kin}
Address of (.....
4. Age:
5. Religion:

APPENDIX "B"

NEWFOUNDLAND OVERSEAS FORESTRY UNIT ENGAGEMENT CONTRACT

I,, agree voluntarily to serve in the Newfoundland Overseas Forestry Unit, in the United Kingdom, as a civilian woodsman, on the following terms and conditions:

1. I shall work faithfully and industriously in any such work as normally forms part of a logging and sawmill operation in the United Kingdom; obey the orders of foremen, superintendents and other persons in charge of operations: and generally behave in an orderly and law-abiding manner.

2. I am to be provided free transportation from my home in Newfoundland to the United Kingdom and—when my period of engagement is ended—free transportation back to my home in Newfoundland.

3. The term of this engagement is for the duration of the present war: Provided that the Chief Overseas Forestry Officer may at his option terminate this agreement upon the expiration of one year from the date of my arrival in the United Kingdom.

4. If I am dismissed for unsatisfactory work or conduct, I am to be sent home at my own cost.

5. *I am to be paid at the rate of \$2.00 per working day*, and found, that is, board, lodging, bedding, tools and medical service are to be free. For time lost on account of sickness, *I am to be paid at half of my regular rate of wages*. In the event of my being incapacitated by illness or accident, I am to be returned home as soon as possible without charge to me.

6. If I am promoted to a higher grade, my wages are to be increased to the rate decided upon for the position to which I am promoted.

7. My pay and my period of service will begin on the day on which I am instructed to leave my home in Newfoundland for the United Kingdom and will continue until I am returned to my home.

8. I authorize the Department of Natural Resources to pay to my at the following address the sum of \$..... monthly, and to deduct same from my wages.

Signed Witness
Signed on behalf of the Newfoundland Overseas Forestry Unit,

Signed Witness
Date

..... is promoted to the grade of
with pay at the rate of \$..... per day and found as from this date.
Date

Signed on behalf of the Newfoundland Overseas Forestry Unit.

APPENDIX "C"

NEWFOUNDLAND FORESTRY UNIT
FORM OF ENGAGEMENT

I, agree voluntarily to serve the United Kingdom, as a civilian woodsman, on the following terms and conditions:

1. I shall work faithfully, industriously and efficiently in any work that forms part of a logging or sawmill operation in the United Kingdom and obey the orders of foremen, superintendents and other persons in charge of operations and generally behave in an orderly and law-abiding manner.

2. I am to be provided with free transportation from my home in Newfoundland to the United Kingdom.

3. The term of this engagement is for the duration of the present war: Provided that if this engagement is not terminated for cause under Clause 5 hereof the Chief Overseas Forestry Officer may at his option and upon one month's notice terminate this agreement upon the expiration of one year from the date of my arrival in the United Kingdom or at any time subsequent thereto.

4. I understand that during my period of engagement I will not be given permission to transfer from the Unit to any other unit or to any of H.M. Armed Forces.

5. I understand and agree that if my work or conduct is unsatisfactory or if I do not make my services available at all times as required by this agreement I may be dismissed forthwith and that in such case I shall lose the right to any benefits or privileges under this agreement including the right of free repatriation to Newfoundland.

6. Subject to the provisions of Clause 7 of this agreement I am to be paid at the rate of twelve dollars (\$12.00) per week, which week shall consist of 48 working hours, and I agree to work not less than 48 hours per week or more if required, such additional time being paid for at the rate of remuneration of twenty-five cents (25c.) per working hour. Subject as aforesaid I am to be provided with board, lodging, bedding, tools and medical services free of charge.

7. I agree:

- (i) That I will not be paid for hours lost due to weather conditions subject to the understanding that so long as I am a member of the Unit in good standing I will receive not less than \$26.00 per month payable in Newfoundland in the form of an allotment to such person as I have named in paragraph 9 of this agreement.
- (ii) That piece work rates may be substituted for weekly rates by the Chief Overseas Forestry Officer if he is satisfied that such rates and conditions of operation are reasonable.
- (iii) That the Chief Overseas Forestry Officer may levy fines or pay cuts for bad or indifferent work or for other just reasons.
- (iv) That my earnings shall be subject to Newfoundland Income Tax legislation if any tax is payable but that no other Income Tax legislation shall apply.
- (v) That, if I am required by the Chief Overseas Forestry Officer to do so, I shall contribute from wages paid to me in the United Kingdom, small weekly amounts, which amounts shall be held by the Chief Overseas Forestry Officer to the credit of my personal account: Provided that these amounts shall not total more than \$25.00. These amounts will be repaid to me on completion of my period of engagement subject only to the condition that they may be retained in part payment of the cost of my return passage to Newfoundland in the event of my being dismissed under Clause 5 of this agreement.

- (vi) That for time lost on account of illness or accident I am to be paid at half my regular rate of wages.
- (vii) That if I am dismissed under Clause 5 of this agreement my pay will cease on the day on which I am dismissed and that I will receive no remuneration for the time elapsing between the date of such dismissal and my arrival back in Newfoundland.
- (viii) That in the event of my being incapacitated by illness or accident the provisions of the United Kingdom Workmen's Compensation Act (and not those of the Newfoundland Workmen's Compensation Act) will apply provided that special arrangements for compensation in the case of illness or accident may be made.
- (ix) That if I am incapacitated by illness or accident to the extent that I am unable to perform the duties required of me under this agreement the Chief Overseas Forestry Officer may by one month's notice terminate this agreement and in such event I am to be returned to my home in Newfoundland free of charge to me.

8. My pay and my period of service will begin on the day on which I leave my home in Newfoundland for the United Kingdom.

9. Subject to the provisions of Clauses 5, 6 and 7 of this agreement I am to be provided with free transportation from the United Kingdom back to my home in Newfoundland: Provided that if I do not proceed to my home in Newfoundland forthwith in accordance with arrangements made my right to free repatriation shall cease in three months and I shall be entitled in such case only to such pay as would have been due me if I proceeded to my home in Newfoundland forthwith in accordance with such arrangements made.

10. I agree that an amount equal to one-half my normal rate of pay shall be paid in Newfoundland in the form of an allotment and I hereby authorize the Department of Natural Resources to pay to my at the following address the sum of \$..... per month and to deduct the same from my wages. I understand and agree that this allotment may not exceed half my normal rate of pay but that I will be permitted to transfer to my dependents in Newfoundland, through the Chief Overseas Forestry Officer, savings I may accumulate out of that portion of my wages paid to me in the United Kingdom: Provided that not less than \$40.00 may be sent at one time.

11. I understand that, if required, the Department of Natural Resources will advance to me clothing to the value of \$15.00 and that I may also obtain, if I so require, an advance of \$5.00 to be made at the last port which I leave to proceed direct to the United Kingdom. In both cases I agree that these amounts may be retained out of wages payable to me in the United Kingdom.

12. I have read this contract and understand fully the terms and conditions of service.

13. If I am promoted to a higher grade my wages are to be increased to the rate to be decided upon for the position to which I am promoted.

Signed Witness

Signed on behalf of the Chief Overseas Forestry Officer

Signed Witness

Date

..... is promoted to the grade of with pay at the rate of \$..... per week and found

Date

for Chief Overseas Forestry Officer

APPENDIX "D"

NEWFOUNDLAND OVERSEAS FORESTRY UNIT
ENGAGEMENT CONTRACT—RENEWAL

(A) I, (No.) (Name)
a member of the Newfoundland Overseas Forestry Unit, now engaged
at (Name of Camp) agree voluntarily to serve
in the N.O.F.U. until:—

Cross out any two (1) March 31st, 1941
(2) June 30th, 1941
(3) For the duration of the present war, provided
that the Chief Overseas Forestry Officer may at
his option terminate this agreement on June
30th, 1941.

(B) The terms and conditions of this further period of engagement shall be
the same as those of the agreement entered into by me on joining the
Newfoundland Overseas Forestry Unit.

(C) It is understood that, at the termination of this further period of engage-
ment, I am to be provided with free transportation back to Newfound-
land. If, however, due to Acts of God or the King's Enemies, it should
prove impossible to provide me with transport *immediately on the*
termination of this further period of engagement I will continue to work
for a reasonable time while awaiting transportation, always with the
understanding that this transportation will be provided *at the earliest*
possible date.

(D) NOTE:—Any man whose present contract of service has expired—(or
about to expire)—and desires to return home should cross out 1, 2 and 3
above and insert "Return Home".

(Signed)

(Witness)

Date

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament

1960

STANDING COMMITTEE

ON

LIBRARY

APR 25 1960

UNIVERSITY

OF TORONTO

VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 5

THURSDAY, APRIL 7, 1960

ESTIMATES OF THE DEPARTMENT OF VETERANS AFFAIRS 1960-1961

WITNESSES:

The Honourable Alfred J. Brooks, Minister of Veterans Affairs; Mr. T. D. Anderson, Chairman, Canadian Pension Commission; Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice Chairman: D. V. Pugh, Esq.

and Messrs.

Badanai	Fortin	Parizeau
Batten	Garland	Peters
Beech	Herridge	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
* Fairfield	O'Leary	Winkler
Forgie	Ormiston	

J. E. O'Connor,

Clerk of the Committee.

* Replaced Mr. Jung on Thursday, March 31, 1960.

ORDER OF REFERENCE

THURSDAY, March 31, 1960.

Ordered,—That the name of Mr. Fairfield be substituted for that of Mr. Jung on the Standing Committee on Veterans Affairs.

Attest.

L.-J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, April 7, 1960.

(6)

The Standing Committee on Veterans Affairs met at 11.05 a.m. this day. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Badanai, Beech, Benidickson, Broome, Carter, Dinsdale, Fane, Forgie, Herridge, Kennedy, Lennard, Macdonald (*Kings*), MacEwan, MacRae, Matthews, McIntosh, McWilliam, Montgomery, Pugh, Robinson, Rogers, Speakman, Stearns, Thomas, Weichel and Winkler.—(26)

In attendance: The Honourable Alfred J. Brooks, Minister of Veterans Affairs and Mr. Lucien Lalonde, Deputy Minister; and *from the Canadian Pension Commission:* Messrs. T. D. Anderson, Chairman; L. A. Mutch, Deputy Chairman; K. M. Macdonald, Pension Counsel; F. G. Stockley, Executive Assistant to the Chairman; and Dr. W. F. Brown, Chief Medical Adviser.

The Chairman observed the presence of quorum and brought to the Committee's attention a letter received from Mrs. M. Wainford, President of the Canadian Non-pensioned Veterans Widows' Association referring to certain errors appearing in the printed record of the Committee's proceedings.

Agreed,—That Mrs. Wainford's letter be printed as an appendix to the record of this day's proceedings; (*See Appendix "A"*).

Item 472—Canadian Pension Commission—Administration Expenses—was called, and Mr. Anderson introduced officers of the Commission.

Agreed,—That a list of Commission personnel, together with a copy of an Organization Chart, be printed as an appendix to this day's record; (*See Appendix "B"*).

Mr. Anderson read a statement outlining the Commission's work, and together with the Minister was questioned.

Item 472 was adopted.

Items 473 and 474, also relating to the Canadian Pension Commission, were called and following discussion, adopted.

At 12.40 p.m., following the reading by the Chairman of a copy a resolution received from the Canadian War Disability Pensioners' Association, the Committee adjourned to meet again on Thursday, April 28.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, April 7, 1960.

11.00 a.m.

The CHAIRMAN: Gentlemen, please come to order. We have a good attendance this morning and I thank you very much for turning out like you have.

Before we proceed, I have received a letter from Mrs. Margaret Wainford. You will remember she was the lady who presented the petition on behalf of the non-pensioned veterans' widows association. She has read her evidence and there are several mistakes she would like to have corrected.

At page 15 she is reported, "I have a bad foot and my vocal chords are not so good when I am seated." This should read, "I have a very bad throat" and so on. I do not think I need to read it all. Would it be agreeable if we had this letter attached to the minutes of today as an appendix?

Mr. HERRIDGE: There are no expressions of affection to yourself, Mr. Chairman?

The CHAIRMAN: No, except she says, "Thank you again for your sincere interest, I am, respectfully yours." Maybe you would wish to have the letter read and if there is anything—

Mr. HERRIDGE: I think we can take your word for it, Mr. Chairman. I move the letter be included in the minutes.

The CHAIRMAN: There is an expression here to the whole committee, "Our sincere thanks for the kindness extended to us on March 10 when we appeared before the standing committee on veterans affairs." I do not think there is anything objectionable in it. Would someone move that it be appended?

Mr. SPEAKMAN: I so move.

Mr. WINKLER: I second it.

Motion agreed to.

(See Appendix A)

Item 472. Administration Expenses \$ 2,496,755

The CHAIRMAN: We are going to take up item 472, Canadian Pension Commission. We have Mr. Anderson with us and he wishes to make a statement. The minister will be coming in later. As soon as he comes in he has to go back again to a cabinet meeting. I think we may have to stand Mr. Anderson down while we hear the minister.

Mr. SPEAKMAN: Is the minister making any statement about pensions?

The CHAIRMAN: We have not heard anything about it, so until the minister arrives I will call on Mr. Anderson, Chairman of the Canadian Pension Commission.

Mr. T. D. ANDERSON (*Chairman, Canadian Pension Commission*): Mr. Chairman and gentlemen, I think I should first of all, if I may, introduce the people who are on the staff and who are here with me. First of all, Mr. Leslie Mutch, who needs no introduction, all of you know him very well. Now, we have Dr. Brown, who is the Chief Medical Adviser. Then, Mr. Ken Macdonald, who is also pretty well known to you; he was formerly our

secretary, but has recently been appointed to a new position of pension counsel. And another new appointee since the last time I appeared before the committee, Mr. Eric Stockley, who is my executive assistant. Last, but not least, the lady who writes you all the nice letters, Miss Dickison. She is hidden behind the pillar here.

Mr. ROGERS: Mr. Chairman, why do you keep the day right behind the pillar?

Mr. McWILLIAM: She needs protection.

Mr. ANDERSON: Before I commence with the actual statement, Mr. Chairman, I would like to table two items, a list of the names of those of our senior people, including the commissioners themselves, at the head office, and also the names of the senior pension medical examiners in the various district offices. This is a chart showing the establishment by positions, which I think will be of some interest to the committee if it can be tabled and published in the record.

The CHAIRMAN: Shall we have this document tabled and the chart annexed to the minutes as appendix No. B?

Agreed.

(See Appendix B)

Mr. ANDERSON: Mr. Chairman and gentlemen, it is a great pleasure to have the opportunity to appear before you and make a brief statement with regard to the work of the Canadian pension commission. May I first of all take just a moment of your time to place on the record a statement which I hope will make it clear to you just what the status of the Canadian pension commission is. I do so because there may, I think, be some doubt in the minds of some of you in that regard.

You will perhaps remember that I was, at the original meeting of the committee, introduced as one of the deputy minister's officers. This, of course, is strictly speaking not correct. The Department of Veterans Affairs was established under the authority of the Veterans Affairs Act. The Canadian pension commission is established under the Pension Act. The Deputy Minister of Veterans Affairs is, of course, the administrative and permanent head of the department. The chairman of the pension commission has exactly the same status and authority over the commission and its employees. Both report to the same minister and both use the same personnel and treasury services. Both have equal status and I might add each is more than happy to leave the other to look after his own responsibilities.

The Canadian pension commission, as I have said, is a commission established under the authority of the Pension Act, and charged with the administration of that act. It also administers the Civilian War Pensions and Allowances Act, and as provided by section 6 of the Pension Act which authorizes the governor in council to impose upon the commission like duties in respect of grants in the nature of pensions, allowances or gratuities authorized to be made under any statute other than the Pension Act, performs duties imposed in connection with the R.C.M.P. Police Act and the flying accidents compensation order. In addition, when requested, advice is furnished the Department of National Defence on certain matters regarding long service pension.

The Pension Act is somewhat unique in that it not only gives the pension commission very extensive discretionary power, but clothes it with the sole right of interpretation of the Act. (See section 5) Those of you who are familiar with the evolution of pension legislation in Canada are aware that the present system of pension adjudication is the result of extensive and

painstaking effort over many years to establish a system which is fair to both the disabled veterans and his dependants on the one hand, and the Canadian public on the other. The present Pension Act avoids, where possible, the fixing of rigid lines beyond which eligibility for pension is ruled out. Every attempt is made to ensure that the deserving case will not be ruled out because it happens to fall on the wrong side of a fixed line. To make doubly sure that the deserving case receives all possible consideration, the fifteen man pension commission is given very broad discretionary power.

Experience has proven that the real key to good pension legislation is the independence and authority vested in the commission by the Pension Act. The commissioners are appointed by order in council for fixed terms, and cannot be removed except for cause. They have complete authority within the very broad terms of the Pension Act to decide whether or not a pension shall be paid. No one, except parliament can challenge the commission's right to interpret any or all sections of the Pension Act.

And now having proclaimed our independence and freedom from the control of the Department of Veterans Affairs, I hope I have not created the impression that there is any lack of cooperation between the deputy minister and the chairman, or the department and the commission. Nothing could be farther from the truth. The closest possible cooperation exists, and when the best interests of veterans or their dependants are at stake, we all seek the most effective solution to the problem.

As you know, I was appointed to the chairmanship of the commission in April of 1959 following the retirement of Brigadier J. L. Melville, to whom I should like to pay tribute for his invaluable work over a period of many years in building up the strong organization to which I fell heir. I found on assuming office an organization thoroughly efficient in operation, and which, above all else, was determined to ensure that Canada's war disabled, and the dependants of those who lost their lives as a result of services, received every benefit which the government and the people of Canada, through the medium of the Pension Act, have provided. I assure you that it is my hope to maintain this fine tradition.

As to the activities of the commission, the over-all volume of its work continues at a high level, there having been a reduction of only 6.6 per cent over the past nine years, that is since January 1, 1950.

Our primary task of adjudication upon entitlement claims is becoming increasingly complex with the passage of time, particularly in its medical aspects. This is due mainly to the appearance of disease, or the effects of injury, over the post-discharge years, of which there is no precise record in the service documents, and to the inevitable physical changes associated with increasing age,—the average age of World I veterans is now 69.4 years, and that of those who served during World War II, 46.0 years.

These factors tend to obscure the significance of events occurring during service and of medical records made at that time. In addition, the veteran's own recollection of his medical history is often blurred by time and distance, while civilian medical and other records which might clarify the course of events often cannot be found. In the solution of the many problem cases arising from these causes, we continue to rely heavily upon the benefit of the doubt clause (section 70).

Apart from applications in respect of service in time of war, the commission is now dealing every day with numerous claims in respect of peace-time service in the regular force. These claims can only be entertained after an applicant's discharge, and entitlement may be granted only if the disabling condition arose out of or was directly connected with military service. The so-called "insurance principle", which protects the member of the forces

serving in time of war against virtually every hazard to which he is exposed, does not apply to peace-time service. Injuries incurred during actual training present no problem. But most of the peacetime claims are based upon disease which became manifest during service or upon injuries incurred while participating in various activities, including sports, otherwise than during parade hours. The relationship of such disabilities to service is often difficult to determine.

Some appreciation of the volume of our work may be gained from the fact that during the calendar year 1959, a total of 51,124 individual cases of all kinds were the subject of a formal decision by the commission.

The total number of pensioners under the Pension Act as at December 31, 1959, was 185,536, as compared to 195,635 in 1950. This decrease is mainly due to the sad fact that World War I pensioners are steadily passing away. However, it is interesting to observe that there are still 829 pensions in payment to dependent parents of those who served during World War I.

On the other hand, the number of World War II pensioners has increased from 88,233 in 1947 to 122,296 in 1959, an increase of 34,063. It is also interesting to note in regard to this group that the number of children in respect of whom additional pension is being paid is 176,409, an increase of 54,759 since 1947.

These are just some of the highlights of statistics relating to activities of the commission. I shall be happy to provide such further information as the committee may require.

May I add that in common with all departments of government, the commission has been asked to thoroughly study its staff requirements with a view to economy in operation. Since taking office, I have undertaken a careful survey of our establishment and can report that the commission's total establishment has been reduced from a peak of 540 in the fiscal year 1949-50 to 404 for the fiscal year 1960-61, a reduction of 25.1 per cent, notwithstanding the fact that, as stated above, our over-all work load over the same period has decreased by only 6.6 per cent. It is my aim to continue close personal scrutiny over our staff requirements and to keep these at a level consistent with both economy and maintenance of the present high standard of service to veterans and their dependants.

Finally, I wish to say that from the day I took over my appointment as chairman, I have had the unqualified loyalty and support of my colleagues and of the entire staff of the commission. In this context may I add that prior to assuming my task, I felt that in the course of my former work I had gained a fairly broad knowledge of the Pension Act and the procedure thereunder. But when faced with the responsibility of directing the multidinous activities necessary in the administration of this complex measure, affecting as they do the welfare of tens of thousands of Canadians, I realized that I had much to learn. Now, from the inside, I am constantly reminded that the Canadian pension commission is operating within the framework of an act which only broadly sets forth the wishes of parliament, and that the degree of justice and equity flowing therefrom, which frankly has amazed me, is made possible only through expert and knowledgeable staff dedicated to the well being of those they serve.

And now, Mr. Chairman, I shall endeavour to answer such questions as the committee may wish to ask. If I cannot answer immediately, I am sure I can get whatever information you require.

Thank you.

The CHAIRMAN: Thank you, Mr. Anderson. Let me make this statement, please. Will you please address the chair so that I can mark down the names of those who wish to speak, if you will raise your hand, I will call you in

that order. I think Mr. Benidickson is No. 1 and Mr. Bert Herridge No. 2, Mr. Weichel is No. 3; and then Mr. Carter No. 4.

Mr. BENIDICKSON: Thank you, Mr. Chairman. I have to leave for half an hour—there is a television set-up or something. Now that we have reached this item of pensions I thought perhaps before we got to Mr. Anderson I was going to ask whether the officers of the Legion are aware that we have reached the pension item, because according to the March issue of the *Legionary* it was their intention to make representations to this committee. It seems to me this would be the appropriate time to hear from the Legion, before we complete the pension item, I assume. I wonder if the chairman has been in touch with the Legion to ascertain whether or not they either want to come to this committee this year or have indicated they do not want to come this year?

The CHAIRMAN: Mr. Benidickson, I have been in touch with Mr. Thompson and he indicated to me about a week ago that they had not decided definitely whether they were going to appear or not. At the last meeting we announced that this item, the pension commission, would be taken up. We had Mr. MacFarlane from the Canadian Legion present, and I think they had ample information about it.

Mr. BENIDICKSON: It seems to me perhaps the clerk could just phone the Legion and find out if it is their intention to make any representations this year.

The CHAIRMAN: Well, we will not be finishing it today, likely. Mr. MacFarlane is here today and they have had notice of it.

Mr. BENIDICKSON: They had notice a week ago, did they?

The CHAIRMAN: They did. I think that will be confirmed by Mr. MacFarlane who is present today.

Mr. M. L. MACFARLANE (*Director, Services Bureau, Dominion Command, Canadian Legion*): Yes, we were aware that this item was being discussed today, Mr. Chairman.

The CHAIRMAN: The minister has come in and, as I said at the beginning, we should stop the other proceedings and hear from the minister because he has to return in a few minutes to cabinet.

So, Mr. Brooks, we will give you the right of way now.

Hon. A. J. BROOKS (*Minister of Veterans Affairs*): Thank you very much, Mr. Chairman, but I understood there might be some questions the committee would like to ask, and that I would try to answer questions. That was my understanding.

The CHAIRMAN: If it is the wish of the committee, has anyone any questions they want to ask the minister, questions on policy or anything in connection with pensions?

Mr. BENIDICKSON: Mr. Chairman, I would just refer to the editorial in the March issue of the *Legionary*. I think the minister has it in his hand. The editorial, of course, quotes from the minister's statement in the House of Commons last year which read this way:

As I told the president of the Canadian Legion when he visited our office, it is not our intention to make any amendment this year to the Pension Act. We plan to have it before us at the next session of parliament at which time we will go very thoroughly into all phases of the Pension Act.

What are the prospects of this committee dealing with any legislation of this kind this year, in the light of the commitment of last year?

Mr. BROOKS: That is a very fair question, Mr. Benidickson. I am well acquainted with this editorial in the *Legionary*. I am not denying what I said there. I told the president of the Canadian Legion when he visited our officers; "that it is not our intention to make any amendment this year to the Pension Act. We plan to have it before us at the next session of parliament, at which time we will go very thoroughly into all phases of it."

As Mr. Benidickson knows, and all the members know, the minister makes recommendations to the cabinet and the cabinet decides what legislation there will be and when it will be brought before parliament. That has been the principle, right down through all proceedings.

I did plan, and I had expected, and I had hoped that we would have it before the Committee this year. If I had cleared it with my colleagues, and they had said yes, it could be brought up this year, then I would have said definitely, "We will". I have never said "we will have this legislation before the committee this year." All departments make plans about legislation, but you cannot always carry out plans at the time you wish to. That is the situation. I planned to have it before parliament this year, and we just could not carry out the plan. When we decide definitely, then I will say: "we will have it before the Committee."

Mr. HERRIDGE: Mr. Chairman, I think most of the members of the house and members of the veterans' organizations throughout the country thought when the minister used the royal prerogative of "we" he was speaking for the cabinet. Possibly that misunderstanding would not have arisen if he had said, "I".

Mr. BROOKS: You know, we very often say "we", speaking for ourselves.

Mr. HERRIDGE: It is quite definite now, Mr. Minister, that there will be no consideration of the Canadian Pension Act this session?

Mr. BROOKS: That is correct.

I might go on, Mr. Chairman, and explain. Speaking about the policy of the government, when this committee was set up there was a definite policy stated at that time which was: that we would review the veterans' charter, and the standing committee on veterans affairs was set up to consider, in addition to the annual departmental estimates, the whole active veterans' legislation. That was our plan. We had planned it should be reviewed in a patterned way, to ensure that all reasonable improvements and developments could be incorporated. The review would occupy the attention of the committee during a number of sessions. It could not all be done at once because, as you know, there are some 23 pieces of legislation in the veterans' charter. To review them all in one or two sessions, or even in three or four would have been an utter impossibility for any committee.

It was necessary, therefore, to establish priorities of review, and this we did. The Veterans Insurance Act needed early attention, because the period of eligibility for most veterans had expired; and that is why we took veterans insurance first; otherwise the period would have expired and many thousands of veterans would not have been able to get their veterans insurance.

The Children of War Dead (Education Assistance) Act was another one we took up in 1958 at our first session, because children are growing older and unless we had amended the act in 1958 there are many children who would not have received the benefits which we intended them to have under the Children of War Dead Education Act. These are the priorities now I am speaking of. Those were the two main acts which were before the committee in 1958.

In 1959, as you will also remember, we took up the Veterans Land Act. Well, there was a reason for that, because the Department of Agriculture was

placing before Parliament the Farm Credit Act in order to provide greater loans to the farmers. We had to amend our Veterans Land Act, in order to make it conform with the Farm Credit Act, and it received priority then.

Another act that was up last year, as you will recall, was the War Service Grants Act. The period for grants and re-establishment credits was running out, and we thought that that should receive priority.

So that is the plan, Mr. Chairman, that we had to review veterans' legislation. We took the acts first which we thought should receive priority. When I spoke of the plan about the Pension Act, it was just in conformity with this general plan that had been laid down for the review of veterans' acts. I had hoped we would have been able to bring it up this year, but we were not able to.

Mr. HERRIDGE: Is it correct then, Mr. Minister, to say that the minister gave amendments to the Canadian Pension Act high priority by considering it should be brought to attention.

Mr. BROOKS: If it needed immediate attention.

Mr. HERRIDGE: But his colleagues did not agree with his opinion?

Mr. BROOKS: Oh no, not at all. No, I did not say that. As a matter of fact, I would like to point out to Mr. Herridge, that the Pension Act was considered in 1957, and the Pension Act has only been under consideration by parliament three times since 1920—in forty years. There have only been three times that the Pension Act has been considered or has been amended, which is an average of once every thirteen years. It is only a little over two years ago that the Pension Act was before parliament.

At that time we did, as Mr. Herridge will recall, ask that the pensions be increased. But that is past history.

Mr. HERRIDGE: Mr. Chairman, I think the minister's heart is in the right place, but his wishes did not come about.

Mr. BROOKS: Well, do your wishes always come about, Mr. Herridge? If they do, you must be the only one who can claim to be that fortunate.

The CHAIRMAN: Any other questions?

Mr. CARTER: Could I follow on from what Mr. Anderson said in his opening statement? Mr. Anderson read rather fast and I am not sure that I caught everything—

The CHAIRMAN: This all goes to—

Mr. CARTER: I want to ask a question of the minister.

The CHAIRMAN: That is fine.

Mr. CARTER: But it arises out of Mr. Anderson's statement. I am not sure that I have Mr. Anderson's statement correct. I understand Mr. Anderson started out to explain the objects of the Canadian Pension Commission, that it was set up as an autonomous body under the Canadian Pension Act and merely reported to parliament through the minister. Am I right so far?

Mr. BROOKS: Yes.

Mr. CARTER: When it comes to making recommendations for increases in pensions, what is the relationship now between the Canadian pension commission and the government? Does the Canadian pension commission make recommendations for increases in veterans' pensions, or is it the other way about?

Mr. BROOKS: The government, of course, intimates to the pension commission that they think pensions should be increased and then the pension commission and the government work together on whatever amendments they think necessary.

Mr. CARTER: The initiative comes from the government rather than from the pension commission?

Mr. BROOKS: That is right, their's is administrative and the other would be policy.

The CHAIRMAN: That is likely where the word "we" came in.

Mr. BROOKS: Well, I am afraid I use "we" perhaps too often. I was asked to comment on this editorial in the Legionary. I am not going to comment to any great length, but there is one thing that I think should be pointed out to the committee. There seems to be some misunderstanding. When a comparison is made, they sometimes compare the pension of a single veteran with what is called here "the worker in the common labour market". The single pensioner of course, has had his pension increased from \$900 to \$1,800 in 40 years—that is, just the bare pension. But a fairer comparison, as I am sure you will all agree, is between the labourer and the married pensioner. It is estimated that 96 per cent of our veterans are married men. I am sure that 96 per cent or more of the members of the House of Commons are married men. You can take any group of men across Canada, and find that 96 per cent of them would be married men.

So a fair comparison is always the married veteran and not the single man when you compare it with the labourer—well, it is compared here to the customs guard or cleaner's helper. The 100 percent married pensioner gets \$2,400—not \$1,800. Everyone knows that the married pensioner also gets pension for his children.

The average family for veterans according to our records is between three and four children. But take it as three; the first child gets \$20, the second \$15 and the third \$12 per month. So that would have to be added to the \$2,400 in order to make a fair comparison. The common labourer they speak of does not receive that. Besides there are other advantages. If a 100 percent pensioner dies his widow gets a pension of \$115 a month. If he leaves orphan children, their rate is doubled, it is \$40 for the first child, \$30 for the second child and \$24 for each of the remaining children. A pensioner pays no income tax on his pension which the other man has to pay.

There are many other advantages which I could mention, such as civil service preference, but there is no need to go into all that. The pensioner has advantages which are not mentioned in that comparison. I simply state this, not to say that our pensioners are getting enough, but to say that the comparison which is often made is not a fair comparison. If there are any questions which anyone would like to ask on that, I would be very pleased to answer.

Mr. HERRIDGE: Has the minister received correspondence from the Legion or other veterans organizations expressing disappointment to the minister personally that the act is not being considered this session?

Mr. BROOKS: Yes, not only this year, but I suppose every year there have been disappointments. There are always complaints that the pensions are not higher. As a matter of fact, there is a letter in a recent Legionary—I am not going to quote it or quote the name, but there is a veteran there who complains, and his letter is being used by some other veterans to complain. He gets 100 per cent pension, he has six children and he also gets an extra \$960. He is getting \$363 a month and he has a rather bitter letter in one of the Legionary's—I do not know which one.

Mr. HERRIDGE: I presume an official of the Canadian pension commission pointed that out to the minister?

Mr. BROOKS: No, they did not. I know the case myself, because I helped to get him the extra \$960. But, as I say, we get lots of complaints. The farmers

complain; the fishermen complain. But there has not been any great complaint, because I think the great majority of pensioners and veterans are quite satisfied and feel that there is going to be something done about this.

Mr. CARTER: I would like to go back to the basis of the minister's argument when he started out by saying that a fair comparison is with married pensioners rather than single pensioners. I would think that would be true in cases of people who are only partially disabled, but in the case of a veteran who is totally disabled, I would not think that would apply at all.

Mr. BROOKS: You are speaking of blind pensioners, paraplegics and people who are totally incapacitated?

Mr. CARTER: Yes, because they have to maintain a home, they have to pay for somebody to do what any married pensioner has his wife to do.

Mr. BROOKS: Well, a totally disabled person gets what is called attendance allowance, which amounts to \$1,800 a year for a paraplegic. For the blind it is \$1,440 now, I think. It was increased the other day.

Mr. CARTER: Is that in addition to his \$1,800 maximum?

Mr. BROOKS: Yes, in addition to his pension. You are speaking about the single pensioner now?

Mr. CARTER: Yes.

Mr. BROOKS: That would be the same, \$1,800.

I would like to point out that it is amazing and to their very great credit, be it said, that many of our blind pensioners—I think most of them—besides receiving pension also rehabilitated themselves to take up work. You see, most of our pensioners—except those who were in World War I and who have reached around 70 years of age and are out of the labour market—besides having a pension, also are employed. You can go through any of the departments here and see them. They do a good job too.

Mr. HERRIDGE: Rightly so.

Mr. BROOKS: So a great proportion of them do not have to depend entirely on their pensions. And again I say I am not using this as any argument for not increasing benefits, because I believe they should be increased.

Mr. WEICHEL: In the case of paraplegics or blind veterans or totally disabled veterans, if they have a business of their own, a coal business or something like that, would that interfere with their getting that extra \$1,800, or would they be entitled to that?

Mr. BROOKS: Not if they are absolutely helpless; no, it would not interfere, Mr. Weichel.

Mr. WEICHEL: The wife might be able to help in that business and it would not interfere?

Mr. BROOKS: Not if he is absolutely helpless.

Mr. ANDERSON: No it would not interfere, Mr. Weichel.

Mr. WEICHEL: The wife might be able to help with that business. It would not interfere?

Mr. ANDERSON: That is right.

Mr. BROOKS: It is not like the war veterans allowance. A pension is something that he has as of right. There is another point too. There are a good many pensioners who do not get the 100 per cent. Supposing a man gets a small pension. Then, if his financial situation is such that he cannot carry on and his health prevents it, he gets a war veterans allowance to supplement his pension.

Mr. HERRIDGE: Is it correct to say when you were a member of the opposition you always supported the representations of the Canadian Legion and the national council of veterans?

Mr. BROOKS: I can ask you the same question, Mr. Herridge, and you and I might point out times when we did not, but I do not think we will go into that here, because I can remember on one occasion I did support it for the full amount, and when it came to a vote some others did not support me. But that is something we are not going to discuss now.

The CHAIRMAN: Mr. Beech, did you have a question?

Mr. BEECH: A little matter of procedure which I was going to bring up. I do not know if the minister is interested in it. It occurred to me that on the occasion when children become sixteen years of age and are going to school and are entitled to have their allowance carried on, some veterans know this and others do not. Last January I knew about this and I made application for a form and filled it out, and then at the end of the month I got my cheque. It had fifteen days at so much, and fifteen days at another amount. It occurred to me that if the veterans received these notices in time they could make application and have it filled out and save this extra bookkeeping on the part of the department.

Mr. BROOKS: That is a very good suggestion.

Mr. WEICHEL: Is that not always included in the pension cheque before such a time? It seems to me I received one like that, advising me that my children could go on after sixteen and I think it was in my pension cheque.

Mr. BEECH: I did not get mine until after the month had expired, which makes extra bookkeeping.

The CHAIRMAN: Mr. Stearns, did you have a question?

Mr. STEARNS: Yes, Mr. Chairman, I wanted to ask the minister if the dissatisfaction that is expressed from time to time by pensioners occurs with 100 per cent pensioners or pensioners who might be considered 50 per cent disabled or less?

Mr. BROOKS: It would be very difficult to say, Mr. Stearns. I would say from both, likely. It depends on the individual.

Mr. CARTER: Can the minister say—well, he was on the original committee when the veterans charter was drawn up and when the pension rates were first established. The Legion uses this comparison with a customs guard and the civil service and with the cleaner and helper in the civil service, and points out they were very similar in those days; and it looks as though they were used as a basis for pensions.

Can the minister say if that was actually so?

Mr. BROOKS: Of course, I was not on the committee then. The first Pension Act we had, I think, was in 1916, when the war was on. I was not on the committee until 1936, so it was twenty years after. The Legion—let us see here, I think it is on page 4 of their brief:

Historically the scale of pensions was related to the common labour market.

And then they give some examples from the above tables to show that this is no longer the case, they say. There have been many changes in the Pension Act since that time. There have been many further benefits added, like higher pensions for widows, higher pensions for children, the dependent father, the dependent mother; and then, of course, every effort was made to rehabilitate the pensioner so he would get a job with preference, and so on. The situation today is entirely different from what it was in 1916. The pensions were very, very low then in comparison to what they are now.

Mr. CARTER: Coming back to the basis which the minister used himself, he said the married pensioner was a fairer comparison.

Mr. BROOKS: What do you think of that, Mr. Carter, if I may ask you a question?

Mr. CARTER: I disagree with you in the case of the totally disabled single man. I thought perhaps that was not quite fair. If you take the \$2,400 which he gets now and the \$564 extra which he gets, that brings him up to \$2,964, somewhere around \$3,000 to the married taxpayer, which is \$300 less than the civil servant got when the pension rates were first established. These are the lower paid ones who have got another increase of around \$300 a year, which puts them further out of line, about \$600 a year, even using the minister's own basis of comparison, which would considerably upset whatever balance there was between the standards of living of the veteran and the civil servant.

Mr. BROOKS: That is a good sound argument that could have been used for the last forty years, Mr. Carter. You were not here forty years ago, but you were here in 1952, I think, or 1951.

Mr. CARTER: 1949.

Mr. BROOKS: That argument, of course, could have been used to a greater extent in 1949 than it could be used now. But there are other factors which you are not taking into consideration. These people pay income tax as well, which the pensioner does not.

Mr. HERRIDGE: Mr. Chairman, the minister surely would not suggest that a man should pay income tax on a pension which he received as a result of disabilities from the war?

Mr. BROOKS: Oh no, definitely not. I would not suggest that, and you know I would not. I am saying the common labourer does pay the income tax and we do the correct thing by saying the pensioner does not pay.

Mr. HERRIDGE: Yes, but I think we should leave that out entirely in our consideration of the problem of increases.

Mr. BROOKS: Oh, we do leave it out.

The CHAIRMAN: I guess Mr. Weichel is next.

Mr. WEICHEL: I would just like to make a suggestion here. We have mentioned pensions for the disabled. Suppose we had figured on 10 per cent increase across the board, is there some way that probably for our totally disabled veterans we could give them 15 per cent; because, after all, I think our totally disabled veterans should not have any financial worries?

Mr. BROOKS: That would be a very good subject for the committee to discuss when the matter comes up.

Mr. WEICHEL: I do not think anybody would kick at that.

Mr. BROOKS: The totally disabled, which we spoke of a moment ago, get this attendance allowance, of course.

Mr. SPEAKMAN: Mr. Chairman, I have been listening with some considerable interest, and I am not going to defend myself in regard to my interest in the welfare of our veterans. My record since I came out of the army and joined the Legion will speak for itself. I do not like this, what looks like an attack on the minister. I want to point out to yourself and the committee that in my city, which is a rural city, of about 5,500 people, the average weekly wage for a married man is \$60 a week, which is \$3,120 a year, and we give our 100 per cent pensioner \$2,964 a year without income tax. In my district these pensioners are able to go out, some of them, to their very, very great credit, as the minister has said, and earn \$60 a week.

I think the *Legionary*, which is essentially very fair, has been a little unfair in this comparison, and I think it has put the minister in a rather unkind position, which I do not think is quite fair because we all know, and the Legion knows, that the Minister of Veterans Affairs of today has been one of the greatest advocates of veterans' welfare that Canada has ever had.

Mr. BROOKS: May I hasten to say, Mr. Speakman, I do not feel that I have been put on the spot by anyone. I appreciate very much the suggestions and even criticisms, as far as that is concerned, because I know what my own record is, and I know what the situation is.

Mr. KENNEDY: Mr. Chairman, I would like to ask the minister: so far since we came into this meeting we have only heard of letters received in protest. Has the minister received any letters expressing satisfaction?

Mr. BROOKS: Oh yes, definitely, quite a number. I had one the day before yesterday but I have not got it here, and I also had a copy of one, I think, from Mr. Stearns, but they come in all the time.

Mr. WEICHEL: I may say I have received a lot of letters complimenting the minister and the pension commission.

Mr. MCINTOSH: I wonder what the minister thinks of a letter of explanation as far as the committee is concerned. In fact, we could have a letter written and submitted to the *Legionary* in reply to some of those letters you were talking about, not because you did not want the criticism, but because a lot of these veterans do not have the facts. You gave one case a few moments ago about this one veteran getting around \$300 a month. Do you not feel it is not fair to the veterans themselves that this information be given them, so they do not get just one side of the picture? For example, all the members of the committee here are veterans. Many of them possibly are pensioners. They deal with these things. We feel the members of the Legion are not getting the other side of the picture. Is there some way it could be put across to them? I think they are entitled to it. They do not have to agree with it, but they should have the other side of the story.

Mr. BROOKS: Well, of course, that is up to members of parliament, and others, when they are writing and talking. As a matter of fact, I might quote a case. I did speak to the blind pensioners in Toronto, and to the amps in Windsor, and explained the situation to them; and I must say that it was thoroughly understood by them.

Mr. MCINTOSH: You just get those small groups; or if I wrote a letter I would be writing it to a little group. But here the total circulation of the *Legionary*—they should be getting the same, but they are getting nothing from the members of parliament or from the members of this committee. I think they are entitled to both sides of this story. I was a little surprised that the president of the Legion made such a strong statement without putting it in a fair light, to my mind, and I think rather than each one of us writing a letter, that possibly you as minister might explain or write a report, and point out some of these cases.

Mr. HERRIDGE: Would it not be better, if the Legion is in error, for Mr. Anderson to write a letter and explain their error?

The CHAIRMAN: I am inclined to think we are getting off our main line. The more that is stated along this line, the more it might be misunderstood in our minutes. I think everybody is entitled to their opinion.

Mr. HERRIDGE: Well, Mr. Chairman, I might correct a misunderstanding of Mr. Speakman's. There is no one attacking the minister. We know where the minister's heart lies, and we know what the minister would have done if the decision had been left entirely with him.

Mr. BROOKS: Yes, and we also know this, that the situation that is being criticized today is not as bad as it has been at any other time, in the last 40 years. We also know that the Pension Act is not reviewed every two or three years. It was reviewed $2\frac{1}{2}$ years ago and it is our intention, as I said, to review it again as soon as possible. Since the last review the only increase

in the cost of living, I think, has been between 3 per cent and 4 per cent. But despite that, I recognize that there is a gap, and I think that the gap should be closed. I think it is up to this committee, just as soon as the act comes before them, to study it carefully.

Mr. CARTER: Well, before we leave the minister, he knows that I am disappointed for another reason that the act is not being reviewed this year, because of the status of all the Newfoundland war veterans which is affected. I had hoped that this would be remedied this year in a review of the act.

Mr. BROOKS: I can realize Mr. Carter's desires in that matter. They are no stronger than my own. As soon as the act comes up, that will be gone into Mr. Carter.

Mr. WEICHEL: I believe Mr. McIntosh has a good point there and perhaps we could leave that to the minister and the deputy to give some consideration regarding some remarks in the *Legionary*.

Mr. STEARNS: Perhaps Bert Herridge would write the article.

Mr. HERRIDGE: Yes, my record is completely unblemished in all respects.

Mr. STEARNS: Since the minister mentioned my name I would like to add that I keep in very close touch with the veterans in my county and most of those who write to me are veterans of the first war. Those who need help and are entitled to it have been wonderfully treated by the Department of Veterans Affairs. I have only the highest admiration for the work they are doing there, and I am very, very proud.

Once in a while somebody will ask for something which he knows he cannot get; but when he is turned down he is very understanding. One chap I had, who wrote to you, spoke to me last armistice day and wanted his pension reviewed. Well, it had already been reviewed a half dozen times and I took it up with the minister and he was kind enough to send a full report on it. This chap is perfectly happy now. He does not get any more but he is not dissatisfied. I have not had any complaints from any one-hundred-per-cent pensioners in my two countries.

Mr. DINSDALE: Mr. Chairman, if I might make a suggestion on this problem of getting information across to the veterans, I think the Legion organizations in the local districts are always very happy to have members of parliament visit them at the zone meetings and speak on veterans legislation, and if you get your zone leaders in there you cover the whole district in one fell swoop. That is the finest method of all, in getting in touch with the veterans' groups.

The CHAIRMAN: Thank you very much. Are there any other questions?

Mr. BROOKS: I would like to state this, that I have no criticism to make of the Canadian Legion or their periodical. We have worked in conjunction for years. Their object is to get as much as they possibly can for the veterans. I understand that thoroughly, and some of their letters may not be just as they should be; but I am certainly not quarrelling with the Legion, because they have done a wonderful job. They publish what is sent them. I notice in the last *Legionary*—

Mr. FORGIE: It is just an unfortunate situation that that announcement in the *Legionary* at that time as to the review of the act at this time was misinterpreted. The pensioners were ready to believe this would take place this year and they are suffering a disappointment because that is not so.

Mr. BROOKS: I notice one of my former colleagues is also in print in this last *Legionary*. I can remember him very well in this committee some years ago, I can remember when I recommended a higher increase in pensions and he was one of the men who opposed it.

Mr. ROGERS: Mr. Chairman, I am very glad that the minister clairified that because I can see why the Legion published that. The Legion are there to do everything they can for the veteran and they are doing a good job. So I do not think we should worry too much about that.

The CHAIRMAN: Thank you, Mr. Rogers.

Mr. PUGH: Is there a possibility of having an extra printing of today's proceedings? I would not mind having about 50 extra copies.

The CHAIRMAN: The committee would have to authorize the extra printing. We ordinarily have 750 copies and they are pretty well absorbed. If the members of the committee wish more copies of today's minutes of proceedings and evidence, at the end of the meeting we could have a motion passed by the committee to that effect.

Mr. CARTER: I ordered 50 copies of the minutes of the last proceedings and it cost me \$7.50.

Mr. BENIDICKSON: Under the rules we are entitled to 6 copies.

Mr. CARTER: I do not understand why the Hansard of committee proceedings cannot be sold at the same rate as Hansard's of the house.

The CHAIRMAN: I understand it depends on the thickness and the number being run off.

Mr. HERRIDGE: I would rather pay for the Hansard and have the money go towards the consolidated revenue to assist in increased pensions.

Mr. MATTHEWS: Mr. Chairman, I have this observation. I think the important thing for a member of parliament to do at this time is to appear before his legion branch. I intend to appear before legion branch No. 10 at Nanaimo when I go back. They are a fine group of men and will understand. The secretary there is putting pressure on and is doing a good job because he feels he wants to help out these veterans. I think it is our duty as members to appear before these veterans.

Mr. WEICHEL: I would like to suggest that it would be very helpful if we could have 50 extra copies of Mr. Anderson's remarks of this morning. Mr. Anderson has given us a report on the pension commission which we could use. I would like to suggest that we have 50 extra copies of his statement.

The CHAIRMAN: You mean of his statement only?

Mr. WEICHEL: Yes.

The CHAIRMAN: How many copies would you suggest for each member?

Mr. WEICHEL: I would say 50 or 25 copies per member of the committee. We could distribute them among the members of the legion in the district.

The CHAIRMAN: I would accept that as a motion.

Mr. HERRIDGE: Mr. Anderson's statement was very interesting to the committee, but it will be included in today's minutes of proceedings and evidence. I am sure the majority of pensioners will be more interested in the discussion which has taken place since that statement.

The CHAIRMAN: Why not a motion.

Mr. WEICHEL: I would like to make a motion that each member receive 25 copies of Mr. Anderson's statement.

The CHAIRMAN: Mr. Weichel, did you hear Mr. Herridge's suggestion that he thought that they would be much more interested in the discussion which took place. Would it be worth considering having so many extra copies printed of the whole proceedings?

Some HON. MEMBERS: Yes.

Mr. BROOME: I am against it. That would be giving an unfair advantage to the members of this committee. It is open to any member to buy as many copies as he wishes. There is a set tariff and a set procedure by which members can obtain these copies. Any suggestion of going to parliament and asking that we be permitted to have extra copies printed for the benefit of this committee is not fair to the rest of the house and is not in keeping with the dignity of this committee. I will oppose any such motion.

Mr. HERRIDGE: The suggestion was simply that there are not enough copies being printed. I think the members are prepared to pay for them. I do not think there is any suggestion they be printed free.

Mr. MACDONALD (*Kings*): I think in this respect we are governed by some appropriation. I agree with Mr. Broome that if we want extra copies we should be prepared to pay for them.

Mr. BENIDICKSON: I think everybody agrees with that, but there may be such a demand for the copies that they may not be available.

Mr. WEICHEL: I did not mean that we get the copies for nothing.

The CHAIRMAN: It is very difficult to know how many extra copies you would want. There may be various members of parliament who would wish extra copies. The clerk suggests that if he knew beforehand how many members wanted how many extra copies that he could speak to the Queens Printer to see if they might be run off and that perhaps you might get them at a fairly reasonable price. I would suggest that might be the best way of handling it.

Mr. MCINTOSH: Are we entitled to six free copies?

I doubt if many of us have more than six branches in our constituency.

The CHAIRMAN: We have only 750 copies and that would not permit issuance of three copies to every member, plus the senate, the various legions and so on.

Mr. FORGIE: Are the reports of these minutes being distributed among all the veterans organizations in Canada today? Is there any method of distribution in existence now?

The CHAIRMAN: No. The Canadian legion gets two and each delegation which appears here will get one copy. The members are sent a copy, also the senators, and a certain number of members are picking up 15 or 20 extra copies. We have not said anything about it when they are available.

Mr. FORGIE: Does the dominion command of the Canadian corps association get a copy?

The CHAIRMAN: No. We will, however, try to put them on the list.

Mr. FORGIE: Do not all the veterans organizations in Canada receive copies of the minutes of proceedings and evidence of this committee?

The CHAIRMAN: If it is the committee's wish I believe it could be done. We have only been sending them to those which ask for them.

Mr. WEICHEL: Could we have an extra copy of Mr. Anderson's report which he gave this morning, which we could send to each member?

The CHAIRMAN: Mr. Anderson says he can run off a hundred copies of those if you want them and we can distribute them next week.

Mr. WEICHEL: Fine.

The CHAIRMAN: Now, are there any questions you wish to ask Mr. Anderson on item 472, or is there anybody wishes to make a statement under 472?

Mr. WINKLER: Mr. Chairman, I think in the remarks of the Chairman of the Pension Commission, as he indicated there has been a reduction of staff, although there has been a small increase in the work load, and I think that is worthy of the commendation of all of us. Also, I must direct the same

thought to the minister. This is something that is not what we can consider with most departments, and it is most appreciated. I would like to know—probably it is not available immediately—exactly when this reduction in staff took place. Has it taken place over a period of ten years, has it been accelerated recently or has it followed a very definite pattern.

Mr. ANDERSON: It has remained fairly uniform over the years. There was one period after the peak load of pension adjudication following World War II during which the staff was reduced very sharply; but since that time it has been reduced fairly consistently by the same number year after year.

Mr. WINKLER: In your statement, Mr. Anderson, you indicated the wide use of the regulation concerning the benefit of doubt going to the veteran. I followed your statement with interest, and I certainly am going to read it again when it is made available. But this one point impresses me particularly, because again I refer to matters I have referred to before. However, I have had further experiences since the time of the last session where evidence has been produced to me as a consequence. You have mentioned that, so far as veterans and widows are concerned, that particular clause could be invoked and the pension granted; but I have never yet had to deal with a pension plan where I felt this particular clause was invoked and a pensioner or widow received anything out of it. I must point out this to you, because this has been my experience. I think this could be used in a broader sense and a little more in the general terms, as it is laid down. I do not agree from my personal experience that this is used broadly enough. Thank you, that is all I wish to say.

Mr. CARTER: May I follow up what Mr. Winkler said? I want to support very strongly everything Mr. Winkler said, because that is my experience too. I would ask the chairman if he would explain to the committee just how this benefit of doubt clause is supposed to operate because I have had considerable correspondence with the department and his office on this point, and the more correspondence I get the more I am confused as to just how this thing is meant to operate.

Mr. ANDERSON: Well, Mr. Chairman, I think it should first of all be made clear that this section 70 is referring to the benefit of the doubt in the minds of the commissioners who rule on the case. While there may be absolutely no doubt in any one else's mind, the veteran himself, for example, or other people, who know something about the case, the act stipulates that it must be the benefit of the doubt in the minds only of those who are adjudicating on the claim. There is a lot of argument as to whether or not the commissioners always exercise the benefit of the doubt procedure, or whether their idea of the benefit of the doubt agrees with mine or yours.

Nevertheless, that is the situation. There must be some doubt in the minds of those who are adjudicating the claim, and any argument to the effect that there is doubt in your mind or my mind does not affect the case at all. I might add that at the present time 80 per cent of the pensions granted to World War I veterans who are now applying are granted under that section of the act.

Mr. CARTER: How much?

Mr. ANDERSON: Eighty per cent.

Mr. CARTER: If there is a benefit of doubt in the minds of the commissioners surely the veteran is entitled to know why. Let me put it another way: if there is no doubt at all in the minds of the commissioners, then they must be absolutely certain. I mean, you cannot have it both ways: either there is doubt or there is no doubt. Therefore, they must be absolutely certain that the pensioner's disability was either not incurred during service or not

attributable to his war service, and surely the taxpayer is entitled to know why they are so certain.

Mr. ANDERSON: This is a difficult thing. I do not think it is possible for me to describe to you the reason why I doubt something. I think I can perhaps say so in a general way, and outline to you the reasons why, in a broad sense. But to describe to anyone else the reason for your thinking, or the reason for my decision on certain item, is something that is very difficult to do. What you have said, Mr. Carter, is right, that if there is no doubt whatever in the minds of the commissioners then, of course, the decision is made accordingly; but if there is any shadow of doubt in the minds of the commissioners then, as the act stipulates, the applicant must be given the benefit of that doubt; and he is.

Mr. WINKLER: Mr. Chairman, again since the matter has been proceeded with following the case I made reference to—and I have no experience in the medical field—following the case I have referred to—I can name them too—I consulted, not with one, but with two medical authorities outside of the field where the particular veteran dealt, and not giving any background or any suggestion on my part, asked the opinions of these people. In each case after the knowledge of the background of the case, there was no doubt in their minds, but a doubt did not even exist in the minds of the pension commission—not a doubt. I have the evidence that was sent to me, as you will appreciate, to substantiate what I am saying. To me, this is quite wrong, because if I go and consult outside—mind you, they had no consultation on the case; so, therefore this may be in favour of the authorities on the commission. But if the facts as presented to them were correct, and they came up with such a decision, I think there is something odd. But absolutely no doubt exists in the minds of the people who sat on that particular board. This seems odd to me.

The CHAIRMAN: Mr. Weichel I think had his hand up first and then Mr. Rogers.

Mr. WEICHEL: I was going to say that in most cases, if the veteran's private physician sends a report, it is very carefully considered?

Mr. ANDERSON: Indeed it is, Mr. Weichel.

Mr. ROGERS: Mr. Chairman, I would like to ask Mr. Anderson, what does the board comprise, what is the construction of it?

Mr. ANDERSON: It depends on what type of board we are speaking of. We have cases that are dealt with daily in the board room, and those are dealt with by whatever number of pension commissioners are available in Ottawa at the time. But the act stipulates that any two or more members of the commission are the commission for the purposes of adjudicating pensions. We have gone beyond that and almost invariably use three. On our appeal boards we have three members, usually, if at all possible, a doctor, a lawyer and a layman. That is the ideal.

Mr. ROGERS: A second question, let us suppose a pensioner is up in front of a board, and his pension is turned down and he appeals; does the appeal go up before the same board again?

Mr. ANDERSON: No, we avoid that at all times. The act actually requires that we avoid that. There are instances when one of the three men sitting on the appeal board may have previously adjudicated in the case, but in that case the applicant has to give his consent before the board can proceed.

Mr. McINTOSH: As a general rule, when the applicant is turned down is there anything common to the ones who are rejected, such as incomplete medical records? That is, the applicant says, "I was in hospital at a certain time" or

"I was treated at a certain time" and no record made of his visit. Is there a general picture, that the cases that are rejected fall into, that lead the board to the decision that he has not got a case?

Mr. ANDERSON: I would not say, Mr. Chairman, that there is any particular pattern into which these cases fall. I did say in my statement, you will recall, that one of our greatest difficulties at this time, so far away from World War II and particularly from World War I, of course, is that it is at times extremely difficult to obtain medical evidence. We get many claims from veterans in which there is absolutely no written or recorded evidence of any kind; and yet on the basis of evidence we get from the people who were serving with them, pensions are often granted.

Mr. MCINTOSH: The reason I ask that question, there seem to be so many cases now dealing with nerves. He may have gone to the M.O., returned to his company, and was sent back into battle or something like that; and the man who hears the pension claim says, "Let us start at that time." I know a case of nerves is very hard to decide on, but does your board take into consideration the applicant's present doctor, his remarks or his diagnosis of the case?

Mr. ANDERSON: Yes, indeed, every scrap of evidence or information that we can gather is put before the board when making a decision.

Mr. MCINTOSH: Whether it is recorded previously or not?

Mr. ANDERSON: That is right.

Mr. CARTER: I want to ask the same question as Mr. Rogers, with respect to renewal hearings. These renewal hearings are carried out by personnel in the district office, as I understand it?

Mr. ANDERSON: Oh, no.

Mr. CARTER: Where are the renewal hearings carried out?

Mr. ANDERSON: The renewal hearings are carried out by three members of the commission, the same as any of the hearings.

Mr. CARTER: Here in Ottawa?

Mr. ANDERSON: At head office, yes.

Mr. CARTER: Do the personnel change?

Mr. ANDERSON: Yes, almost invariably a different group adjudicates on each hearing. As I said before, there are individuals on the board who may have considered the case before, but by and large it is heard by a different group.

Mr. HERRIDGE: Mr. Chairman, I have always been interested in the activities of the Canadian pension commission, but I was particularly interested this morning in the chairman's statement informing the committee fully as to the dignity and the status and the intelligence of the commission, particularly with the fact that the chairman ranks as a deputy minister and does not come beneath any deputy minister, has equal status. However, in order to clear up the record and avoid any confusion on the part of the veterans or their dependents who may be reading this record, I would like to ask Mr. Anderson a question. Are you the Mr. Anderson, the same gentleman who was dominion secretary of the Canadian Legion for many years and appeared before this committee urging a 33½ per cent increase in pensions?

Mr. ANDERSON: Yes, sir, I am.

Mr. BENIDICKSON: Mr. Chairman, we from time to time have briefs which refer to the level of basic pension and its relationship to either cost of living changes or to what is, I think one brief this session referred to, the average weekly wage, and so on. I wonder if it would be possible for the minister or the chairman of the Commission, while we are on the pension item, to prepare

a table showing comprehensively the changes in the basic pension rate that have taken place from the commencement of the act. Alongside that table I think he could indicate what was the cost of living index at that time and then perhaps, if there is some statistic—I do not think the average weekly wage is perhaps the right one—but if there is something of that nature that could be presented as a third item of comparison I think it would be useful in our committee reports to those who are reading the evidence of this committee and likely the next one.

The CHAIRMAN: Would that not be a matter to be taken up for discussion when the act is referred to us for revision?

Mr. BENIDICKSON: No, I think we have had representations already this session about pensions. I think if we had the official statistics, rather than just the statistics that we got from outsiders—

The CHAIRMAN: Mr. Benidickson, we only report back on the things that are referred to us. That is all our authority is. While we can discuss it, if we want to, in the committee, suggestions will appear on the record, will be in the minutes of the proceedings, and be there for the departmental officials to consider when they are bringing forth amendments.

Mr. BENIDICKSON: Here it was just for our purposes; I was not speaking of any report to the house.

Mr. ANDERSON: I will be glad to look into the possibility of preparing that, Mr. Benidickson. I think it could be done.

The CHAIRMAN: Mr. Carter has to leave in a minute or two. He has one more question.

Mr. CARTER: A statement I did not follow from Mr. Anderson. You said, Mr. Anderson, that every appeal and every renewal hearing was held as far as possible by different persons?

Mr. ANDERSON: Yes.

Mr. CARTER: In the case of these different appeals, or any one, are they signed by all three people?

Mr. ANDERSON: Yes, sir.

Mr. CARTER: The reports of them are signed by all three people?

Mr. ANDERSON: Yes.

Mr. CARTER: Every report and every renewal hearing has the signature of each of the three persons?

Mr. ANDERSON: Only two on the renewal hearing, but three on the appeals.

Mr. CARTER: Three on the appeal board but only two on the renewal hearings?

Mr. ANDERSON: Yes.

Mr. CARTER: Which means a majority decision?

Mr. ANDERSON: That is right.

Mr. CARTER: I wanted to clear that point up. Thank you.

Mr. MACRAE: I want to ask the chairman of the pension commission, am I correct in saying that the number of cases is increasing every year in your files? You just refer to them as files, do you not?

Mr. ANDERSON: Yes.

Mr. MACRAE: And that is going up very year?

Mr. ANDERSON: By and large that is correct. It fluctuates, but over the long period of time it has increased.

Mr. MACRAE: I was wondering if after the period 1959 and 1960, that fiscal year, and 1960 and 1961, are they expected in that case to go down,

because I notice from the payments—I did drop to item 473, which we have not discussed—the pensions had dropped from \$151,500,000 to roughly \$149 million. Is it expected then that there will be a decrease this year, or what is the reason for the decrease in payments?

Mr. ANDERSON: You are talking now, Mr. MacRae, about the total amount of pension payments?

Mr. MACRAE: Yes.

Mr. ANDERSON: I thought you were talking about the number of cases that come before the commission.

Mr. MACRAE: Well, if the number of cases is going to increase, then the amount of money we are asked for is also going to increase and I notice there is a drop there?

Mr. ANDERSON: The other feature that enters into this is, as I pointed out in my report, the death of a good number of pensioners from World War I and, of course, World War II also; and as time goes on a larger percentage of the pensioners are dying. So that that reflects in the total figure of the total amount of pensions paid annually. While we may be adding to the number, at the same time the losses from death may be greater than the number we add each year.

Mr. MACRAE: That is evidently what is happening here?

Mr. ANDERSON: That is right.

Mr. MACRAE: My final question is, when is it expected that the peak of pensionable cases will be reached in respect of World War I and World War II? I would think possibly 1980, but can you advise what your actuaries have suggested?

Mr. ANDERSON: I am speaking completely from memory, but it strikes me that it is some time in the middle 1970's. It was nineteen years after World War I, and we are not sure for World War II. I think about the same period.

Mr. MACRAE: Well, if it was nineteen years after World War I, that would bring it to about 1964 when the peak would be reached after World War II. I would think it would be later than that. It is a matter of conjecture.

Mr. ANDERSON: Yes, it is a matter of conjecture, as you say. It would be difficult to arrive at an exact date.

The CHAIRMAN: Any other questions?

We are on item 472. Have you finished all your questions on that? Shall the item carry?

Item agreed to.

Item 473 agreed to.

Mr. MCINTOSH: I have one question on 474, Mr. Chairman.

Item 474. Gallantry awards—world war II and special force \$ 21,000

The CHAIRMAN: Under 474, gallantry awards.

Mr. MCINTOSH: I asked this question previously at another meeting. I think I also asked it last session. I think the deputy minister is aware of the question I asked regarding the recipients of the military medal from World War I, and the award of \$100 they got under the Canadian government for those who received it in World War II. I had the minister's answer that the reason no one got it for World War I was that it was under British jurisdiction. I think his reply was that it was under consideration that the Canadian government was going to take over from the British government, and he thought before this session was started that possibly the recipients of the military medal in World War I who were still alive would be getting their \$100. As I understand, they have not got it. Have you anything to say about that?

Mr. BROOKS: All I can say is it is still under consideration.

Mr. MCINTOSH: Well, may I ask the same question again? In your opinion, how long do you think it will be before the agreement will be reached?

Mr. BROOKS: I am not going to stick my neck out.

The CHAIRMAN: Carried?

Mr. MCINTOSH: No, just a minute, I want to carry this a little further. I do not want to go back and tell these people who are still considering it. In your opinion it is not going to be finalized or is there some action in this or no action in it? That is what I want to know.

Mr. BROOKS: Well, there is action; but when it is going to be finalized, I cannot say.

Mr. MCINTOSH: Well, has there been anything transpire between the time that I asked this same question last year and the time I have asked it today?

Mr. BROOKS: It may be dealt with partially at one time, that is, not all at once. Take the Victoria cross winners. I think they will be dealt with first, and then the others, and so on. That seems to be the idea at the present time.

Mr. MCINTOSH: It is a slow process.

Mr. BROOKS: Yes.

Mr. WEICHEL: I would like to ask if there are any gallantry awards made by the British to any members of the second war?

Mr. BROOKS: No, they are all Canadian. The first war was British, the second all Canadian.

Mr. ROGERS: To carry Mr. McIntosh's question a little further, is this just on military medals or on all awards?

Mr. BROOKS: Well, it is on the Victoria cross, the Military cross and D.C.M.'s.

Mr. MCINTOSH: Who is causing the delay, the British authorities or the Canadian?

The CHAIRMAN: Mr. Herridge?

Mr. HERRIDGE: No, I was just going to say they are both Conservative governments.

The CHAIRMAN: Shall the item carry?

Mr. BENIDICKSON: Before we carry the three items of the Canadian pension commission, I have been shocked that we are not having representation from the Legion. I wonder if it turns out that there is any misunderstanding about it. I suppose the courtesy could be extended to them of giving them a chance to come in and discuss this?

The CHAIRMAN: We left the first item open and they could come in with a presentation under that.

Mr. BENIDICKSON: Oh, I see.

Item agreed to.

Mr. FORGIE: 472 is still open, is it?

The CHAIRMAN: No, that was carried, but the first item is open.

Mr. FORGIE: I beg your pardon.

Mr. HERRIDGE: They can come in under that.

The CHAIRMAN: Yes.

Mr. BENIDICKSON: Thank you. I was out and did not realize that was the case.

The CHAIRMAN: That disposes of the three items in which the chairman of the Canadian pension commission is interested. At this time there is a resolution which would come in under 472. Perhaps I should have read it before

we carried that; but under the direction of the procedural committee we decided we would have it read in or attached as an appendix. Maybe I had better just read it; it is very short. Is that agreeable?

Agreed.

It is from the Canadian war disability pensioners' association and it says:

The above organization passed the following resolution at its last general meeting.

That the government be asked to make an increase of 25 per cent in disability pensions.

We trust you will see that our resolution is given to the proper authorities if that is not through yourself.

That is dated February 10, 1960 and is signed by Richard T. Beaverstock.

Mr. BENIDICKSON: That is the only communication from outside with respect to disability pensions that has been addressed to this committee this year?

The CHAIRMAN: Yes, the others appeared here. That is the only one that was sent in to be brought to our attention.

Mr. ROGERS: What province is that from?

The CHAIRMAN: Well, Winnipeg is the city from which the letter came.

Is it the wish of the committee that we shall adjourn? This meeting will stand adjourned until April 28, gentlemen, and then we will proceed with the other items.

APPENDIX "A"

NON-PENSIONED VETERANS' WIDOWS ASSOCIATION
DOMINION COUNCIL909 Islington Ave. N.,
Weston, Ontario.
March 22, 1960.

Mr. G. W. Montgomery, Chairman,
Standing Committee,
Veterans' Affairs,
House of Commons,
Ottawa, Ontario.

Dear Sir,

On behalf of the Dominion Council delegates, please convey to the Minister of Veterans' Affairs, members of his various departments and the Members of Parliament, our sincere thanks for the kindness extended to us on March 10th, when we appeared before the Standing Committee on Veterans' Affairs.

I would also like to express my appreciation for the *Hansard* which contained my deliberation, but I would like to point out the following errors:—

Page 15, line 12, "I have a bad foot and my vocal chords are not so good when I am seated"

this should read:—"I have a very bad throat, etc"

Page 18, Para. 8, "She has to live on \$90 a month. She pays \$42.50 for rent. It costs her \$135.00 a year for rent."

this should read:—"It costs her \$135.00 a year for coal."

Page 19, line 4, "I myself had a request which cost 25 cents to"
Line 4.

this should read:—"I myself had a request which cost 25 dollars to"

I realize that in speaking before the Committee in rather a hurry I did not give them a thorough explanation but I trust they have been enlightened as a result of our visit.

Thanking you again for your sincere interest, I am,

Respectfully yours,

Margaret Wainford, (Mrs.),
Dominion President.

APPENDIX "B"

THE CANADIAN PENSION COMMISSION

Head Office:

Chairman—T. D. Anderson.

Deputy Chairman—L. A. Mutch.

Commissioners—O.F.B. Langelier, J. M. Forman, J. R. Painchaud, Dr. J. F. Bates, W. H. August, Dr. W. L. Coke, L. W. Brown, S. G. Mooney, Dr. U. Blier, Dr. R. R. Laird, N. L. Pickersgill, (ad hoc), C. B. Topp (ad hoc), D. G. Decker (ad hoc).

Secretarial Staff—Secretary—A. L. Fortey.

Pension Counsel—K. M. Macdonald.

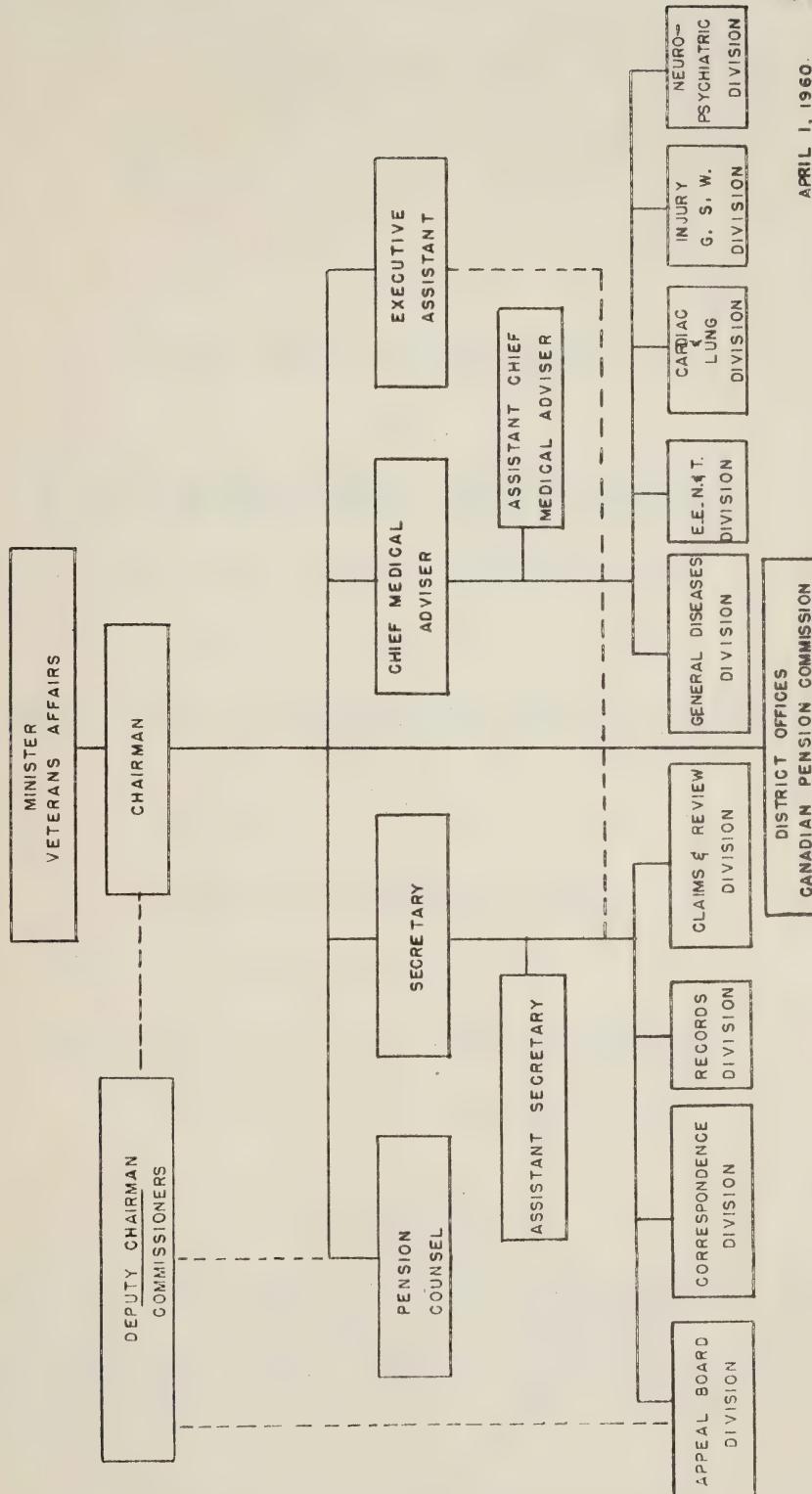
Claims and Review Branch.

Medical Advisory Branch.

District Offices:

Senior Pension Medical Examiners: *Vancouver*—Dr. J. W. Laing, Shaughnessy Hospital; *Victoria*—Dr. W. W. Bell, Belmont Building; *Edmonton*—Dr. C. Greenberg, Colonel Mewburn Pavilion, University of Alberta Hospital; *Calgary*—Dr. C. A. Findlay, Colonel Belcher Hospital; *Saskatoon*—Dr. J. G. Fyfe, Federal Building; *Regina*—Dr. J. G. McLeod, Motherwell Building; *Winnipeg*—Dr. V. J. McKenty, Deer Lodge Hospital, P.O. Box 216; *London, Ont.*—Dr. W. R. Fry, 201 King Street; *Hamilton*—Dr. R. B. Gillrie, National Revenue Building; *North Bay*—Dr. G. A. Cowie, Federal Building, P.O. Box 540; *Toronto*—Dr. J. G. Ferguson, Sunnybrook Hospital; *Ottawa*—Dr. J. C. Armstrong, #8 Building, Carling Avenue; *Kingston*—Dr. E. S. Bird, New Federal Building; *Montreal*—Dr. H. Payette, 35 McGill Street; *Quebec City*—Dr. C. V. Demers, Ste. Foy Hospital; *Saint John, N.B.*—Dr. H. S. Bustin, Lancaster Hospital; *Charlottetown*—Dr. S. MacDonald, Confederation Building, P.O. Box 1300; *Halifax*—Dr. R. S. Henderson, Camp Hill Hospital; *St. John's, Newfoundland*—Dr. J. G. D. Campbell, Buckmaster Field, P.O. Box H-242; *London, England*—Dr. R. Gottlieb, 13-17 Pall Mall, East.

CANADIAN PENSION COMMISSION



APRIL 1, 1960.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

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STANDING COMMITTEE

ON

VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 6

THURSDAY, APRIL 28, 1960

ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs; Mr. T. D. Anderson, Chairman, Canadian Pension Commission; Mr. F. T. Mace, Assistant Deputy Minister, Department of Veterans Affairs; Mr. C. F. Black, Departmental Secretary; Mr. P. E. Reynolds, Chief Veterans Advocate, Veterans Bureau; Dr. J. N. B. Crawford, Director General, Treatment Services.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,
Vice Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Fortin	Parizeau
Batten	Garland	Peters
Beech	Herridge	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	McEwan	Stearns
Clancy	MacRae	Stewart
Denis	Mathews	Thomas
Dinsdale	McIntosh	Webster
Fairfield	McWilliam	Weichel
Fane	O'Leary	Winkler
Forgie	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

MINUTES OF PROCEEDINGS

THURSDAY, April 28, 1960.

(7)

The Standing Committee on Veterans Affairs met at 11.05 a.m. this day. On the motion of Mr. Beech, seconded by Mr. Lennard, Mr. Dinsdale was elected Acting Chairman for this meeting of the Committee.

Members present: Messrs. Badanai, Batten, Beech, Carter, Dinsdale, Fane, Herridge, Kennedy, Lennard, Macdonald (*Kings*), MacRae, Matthews, McIntosh, O'Leary, Parizeau, Robinson, Rogers, Speakman, Stearns, Webster, Weichel and Winkler.—(22)

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. F. T. Mace, Assistant Deputy Minister; Dr. J. N. B. Crawford, Director General, Treatment Services; Messrs. C. N. Knight, Chief, General Services Division, Veterans Welfare Services; G. L. Mann, Chief, Special Services Division, Veterans Welfare Services; G. S. Way, Chief, Information Services; J. E. Walsh, Director, Finance, Purchasing and Stores; J. G. Bowland, Research Adviser; P. E. Reynolds, Chief Pensions Advocate, Veterans Bureau; C. F. Black, Departmental Secretary; Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board; and Mr. T. D. Anderson, Chairman, Canadian Pension Commission.

Mr. Anderson spoke briefly and presented, as requested at a previous meeting, a document containing tables relating to the payment of Disability Pensions; (*See Appendix "A"*).

Mr. Black read answers to certain other questions arising at previous meetings.

Item 459—Veterans' Welfare Services—was further considered and adopted.

Item 460—Treatment Services—Operation of Hospitals, etc.—was called and Dr. Crawford outlined the progress of the Services during the past year and, together with Messrs. Lalonde and Mace, was questioned.

Item 460 was adopted.

Items 461, 462, 463 and 468 were called and following consideration were adopted.

Agreed,—That the Subcommittee on Agenda and Procedure consider the possibility of arranging for a visit by members of the Committee to a departmental hospital in the Province of Quebec.

Item 464—Veterans' Bureau—was called and following a statement by Mr. Reynolds, and his subsequent questioning, was adopted.

At 12.35 p.m. the Committee adjourned to meet again on Thursday, May 5, 1960.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, April 28, 1960.
11 a.m.

THE CLERK OF THE COMMITTEE: Gentlemen, we have a quorum.

I regret to inform you that both the chairman and vice chairman of the committee are unavoidably absent from the city. Therefore, our first item of business will be the election of an acting chairman for this meeting.

Mr. BEECH: I move that Mr. Dinsdale preside as our acting chairman.

Mr. LENNARD: I second the motion.

THE CLERK OF THE COMMITTEE: If there are no further nominations I would ask Mr. Dinsdale to take the chair.

THE ACTING CHAIRMAN (*Mr. Dinsdale*): Good morning, gentlemen. I was sitting back in the rear echelons beyond the firing line, but find myself drafted into service again. I may say that I am delighted to serve in the unavoidable absence of Mr. Montgomery and Mr. Pugh.

Gentlemen, on the last day we met we were considering the estimates of the Canadian pension commission, which item is found at page 82 of your blue book.

First of all, I believe there were some outstanding questions which were not answered. Although we finished the item there were some outstanding questions, and at this time I would ask Mr. Anderson to give the answers which were requested.

Mr. T. D. ANDERSON (*Chairman, Canadian Pension Commission*): Thank you.

As you will recall, two members of the committee, namely Mr. Benidickson and Mr. Weichel, requested information during our last meeting.

The first item concerned some detailed information regarding a comparison of pensions and incomes of labourers and other people in industry, and so on. We have attempted to provide you with something of that nature, and a copy is being distributed at the present time. If there are any questions you would like to ask in connection with it, I will be glad to attempt to answer them.

The second item concerned my report. Mr. Weichel asked if you might have additional copies of it. These, as well, are being distributed at this time.

Mr. Chairman, that was all the information requested for this morning. Thank you.

THE ACTING CHAIRMAN: Gentlemen, I would just like to say that we have a very good attendance this morning, following our Easter recess.

I hope a good many of the members had an opportunity to contact their veterans groups during the Easter recess in order that you will be up to date concerning their problems. I might say that I had an enjoyable contact at Pembroke on Sunday. I found the veterans of the country in fine form and fettle.

Gentlemen, we were dealing with welfare services. However, before we proceed to that item I understand that the departmental secretary, Mr. Black, has some further answers for the committee. Would you please proceed, Mr. Black.

Mr. C. F. BLACK (*Secretary, Department of Veterans Affairs*): Mr. Chairman and gentlemen. Mr. Carter asked a question with respect to 33 positions

being deleted from the departmental administration establishment. The question appears on page 75 of the minutes.

The answer to the question is that of the 33 people who occupied those positions, the disposition has been as follows: 4 were promoted to other positions within this department; 16 were transferred to other positions within the department; 2 died, and were not replaced; 3 retired because of age, and were not replaced; 1 resigned and, 7 were transferred to other government departments. Out of the 7, 5 were transferred to public printing and stationery, one to the Post Office, and one to the board of transport commissioners.

There was one further question asked by Mr. MacEwan, and that appears at page 79 of the minutes. It had to do with an explanation of the status of the occupants of two positions of management trainees. The department has two positions described this way, which are available for use by people who have qualified for and are being trained for relatively senior positions within the department. These positions have trained in the past, several people who are now occupying fairly senior positions. At the present time there is one of these positions now occupied, or in the process of being occupied; and we anticipate during this year we will have very useful employment for both these positions.

The ACTING CHAIRMAN: Thank you, Mr. Black. Are there any further answers? If not, we can resume with item 459. We had almost completed our discussion. Mr. Mann had made a statement on the item of welfare services. Are there any further questions?

Item agreed to.

TREATMENT SERVICES

Item No. 460. Operation of hospitals and administration including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year for hospital and related services	\$ 44,634,594
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The ACTING CHAIRMAN: "Treatment services" is the general heading; it concerns the operation of hospitals, and administration. Dr. Crawford is with us today. He has a statement to make, and we will be delighted to hear it.

Dr. J. N. B. CRAWFORD (Director General, Treatment Services, Department of Veterans Affairs):

Mr. Chairman and Gentlemen:

The members of this committee will recall that during last year's meetings I gave a very complete statement as to the organization and function of the treatment branch, and explained the question of eligibility for treatment benefits of various categories of veterans. There would seem to be no need to repeat this information at the present time.

The basic information which I gave last year is still valid. Nothing has occurred in the meantime to change the situation as it existed then. I do however have something to add with respect to certain questions which were raised during the course of last year's meetings.

An improvement has been made in the problem of supplying treatment services to veterans in the Yukon. A new federal hospital was opened at Whitehorse in April 1959, and Dr. Neil MacKinnon, the superintendent of that hospital, has consented to act as the representative of D.V.A. treatment branch. As a result, more eligible Yukon veterans are being treated in Whitehorse than used to be the case. In the main, only those cases are being sent to Vancouver or Edmonton which require more highly specialized care than is available in Whitehorse. The total patient load in Whitehorse is, however, still small. This is not surprising in view of our information to the effect that there are only 92 pensioners and 21 W.V.A. recipients in the Yukon.

Federal-provincial hospital insurance plans are now in full swing in 9 of our 10 Canadian provinces, and I think that we are now in a position to

measure the impact of these on the operation of our hospitals. The main impact is of course a financial one. We are now paid something for the insured services which we supply in our hospitals. Our actual recoveries from such plans in fiscal year 1958-59 were \$2,999,043; our forecast recoveries in fiscal 1959-60 are \$7,055,000.

The plans have not had any significant effect upon the pattern of distribution of the patient load in departmental hospitals.

Activity under the doctor of choice plan has shown a fairly sharp increase during the past year and this may be attributable in large part to the existence of hospitalization plans. One side effect of the plans which, from the point of view of the department, is unfortunate is that outside hospitals are now in a position to enlarge their technical staffs and to pay better salaries than we can. This has increased our difficulty in recruiting and retaining professional and technical personnel in our hospitals.

Construction for the replacement of obsolete accommodation in Shaughnessy hospital, Vancouver, is now nearing completion. As a matter of fact, it has been completed, and patients now are moving into the new accommodation. A similar project has now started at Westminster hospital, London. Architects' plans are being prepared prior to the letting of tenders for construction of a veterans' pavilion in connection with the General hospital, at St. John's, Newfoundland. Preliminary planning is taking place in the department for extensive alterations to Queen Mary veterans hospital in Montreal and Ste. Anne's hospital, Ste. Anne de Bellevue.

As you consider the estimates for the operation of treatment services, questions of detail and principle will occur to you. I shall be happy to answer these.

The ACTING CHAIRMAN: Thank you, Dr. Crawford.

Gentlemen, are there any questions concerning item 460?

Mr. SPEAKMAN: First of all, may I say, through the chairman, how pleased I am that we now have done something about Whitehorse. I believe I raised this question last year, or the year before. I am pleased to hear that Dr. MacKinnon has been appointed because I know he is a very able man.

Now that the hospital insurance is operating, I would like to ask you, Dr. Crawford: will it do away with the necessity of non-pensioned veterans who are admitted to hospitals, or pensioners who are admitted for treatment of conditions other than their non-pensionable ones, of having to sign for their responsibility for this treatment? As you know, where a veteran is admitted, he is asked to sign—unless it is for treatment of a pensionable disability. It has caused some embarrassment.

Dr. CRAWFORD: There is still a small requirement for this sort of thing, and I see no way of getting around it.

Under section 23 of the veterans treatment regulations, where a man, who is solvent, and reasonably wealthy, has the privilege of coming into one of our hospitals, we used to ask him to sign an undertaking to pay the cost of hospitalization. This is no longer necessary if the man is insured, and no such inquiry need be made. However, there remains the man with lesser wealth, who may qualify by section 13 of our regulations. He is insured under the plan; so, as far as his hospital expenses are concerned, there is no concern on our part about being paid. The plan will pay us, and there is no need for inquiry as to his ability to pay the hospital bill. But, under section 13, we also tend to scale down the charges for professional medical treatment. Therefore, there is the need to determine whether or not a man is eligible under section 13; and in this area—and it is now a fairly small one—we still pursue our investigation as to a man's financial resources.

Mr. SPEAKMAN: The reason I asked this question is because I can think of two cases: one, a 50 per cent pensioner of World War I, whose income is being supplemented by war veterans allowance, who is no longer able to earn but has spent fifteen months—and he was asked to sign this. This was before the insurance came in. But, last year a very small pensioner—10 per cent, I believe—went to hospital because his general condition had deteriorated. He was asked to sign, and he had no possible means. It made him feel that he had no right to be there. I would like to suggest that any veteran has the right of entry to a veterans hospital without being embarrassed or pushed around, shall I say, by people running after him to see whether they are going to get paid. Now that our hospitals are receiving an income from the hospital insurance, I think this should be done away with. These hospitals are for the treatment of veterans, whether they be pensioners or not.

Dr. CRAWFORD: Unfortunately, that is not quite true. It might be a very good thing, if it were. But, all veterans do not have the right of entry to our hospitals. They have a privilege. Certain of them have an unqualified right, and these are the pensioners for the treatment of their pensioned disability. Certainly in a province, where the plan is all-embracing and covers 100 per cent of the population, if one applies and we have room for him, he has the privilege of being admitted to that hospital. In such a province there may be no necessity of investigation in order to determine his ability to pay his hospital bill, because the plan will pay. However, there is still some necessity to investigate, in some cases, as to whether we can give him any advantage in the way of other expenses connected with his illness.

Mr. SPEAKMAN: I would hope that Dr. Crawford will see that his staffs in the hospitals generally across the country will be a little kind in their treatment—of these people who are, more or less, not indigent, but not in comfortable financial circumstances.

Dr. CRAWFORD: I think a lot of this difficulty does stem from a very widespread belief among veterans that they have a right of entry to veterans hospitals, and they propose to beat down the door if they cannot get in. Unfortunately, this is not the law, which we have to administer and, of course, I cannot instruct my admission services staff contrary to the regulations. By and large, I think they do their best to treat these cases in a sympathetic and kindly manner. Sometimes their patience is tried very sorely and, if they break down occasionally, I try to understand, although I do not condone.

Mr. WEICHEL: Mr. Chairman, I would like to take this opportunity to say that I am very happy to see the improvements that have been made in the Westminster hospital. I believe these changes will certainly benefit a great many more veterans in my district.

Mr. HERRIDGE: When Dr. Crawford was reading his report I was very interested to hear him say that in these provinces where there was coverage —health insurance and so on—it made it possible for the other hospitals, the civilian hospitals, to increase the salaries of their staffs, and on that account it made it less attractive to certain professional personnel to remain with or apply for positions with the Department of Veterans Affairs. Could you give us any examples of the difference in salaries paid by governments or hospital boards to personnel of civilian hospitals as compared to those paid by the Veterans Affairs Department, and in British Columbia in particular?

Dr. CRAWFORD: Anything I might say in this connection is to some extent hearsay. I know what the civil service scales of salary are, or at least I can find them out in accuracy. I do not know, but the pay research bureau of the Civil Service Commission may know in greater detail, what salaries are paid in some civilian hospitals.

I believe there is a spread of something like \$400 to \$600 in laboratory technicians. But if we get into the very senior people, for instance, a hospital superintendent, and that sort of thing, senior administrative people in our administration, you may find differences of as much as \$5,000 a year.

It is something with which I cannot quarrel too much, these great differences. I realize that we have to fit into a vast pattern in the civil service, and that making changes which would suit me might create upsets elsewhere in the civil service.

I have got to live with this, and I have a number of people who are apparently sufficient happy in their jobs and in the way they are treated and handled that they are prepared to settle for what they are getting.

I am concerned about the lower grades of laboratory technicians, occupational therapists, and that sort of thing where they are in short supply anyway, and I find that I am just not in the competitive market to obtain their services.

This situation is being studied quite sympathetically by the Civil Service Commission, and I have real hope that within the near future we may find ourselves in a somewhat improved position.

Mr. HERRIDGE: Thank you.

Mr. LALONDE: If you recall it, some months ago when there was no question of adjusting salaries, we were fortunate enough to receive an adjustment of salaries for our nurses and thereby to create more equality between the salaries paid to nurses working for us and to those paid to nurses working in civilian hospitals; and I hope that fairly soon we will be able to provide an answer to the problem.

Mr. HERRIDGE: I am very glad to learn that the department recognizes the principle of ladies first at any rate.

Mr. MCINTOSH: There is a new item in the estimates on page 572 for overtime in the sum of \$200,000. Has that any bearing on what Dr. Crawford just said?

Dr. CRAWFORD: This is really a reflection of the tidying up by the director of personnel. We have been paying overtime as required, but it was not allowed for in the budget. It was not provided for in a separate item.

Mr. LALONDE: It was provided for in the total of salaries paid, but now it is shown as a separate item.

Mr. MCINTOSH: On page 568 you show anticipated savings due to staff turnover of \$45,000, and at no other place is that shown. Why?

Dr. CRAWFORD: Do we not show this in gross reduction somewhere?

Mr. MCINTOSH: Why do you have \$45,000 shown last year and this year, when your expenditures come out roughly the same? Why is this item shown for this one branch, and not for any other?

Dr. CRAWFORD: On page 572 dealing with treatment services, about one-third of our anticipated saving is due to staff turnover, \$750,000.

Mr. MCINTOSH: All right. It is my error.

Mr. BEECH: I have a question on this item, but not about salaries.

Mr. CARTER: I notice you are advertising a position now in Newfoundland in which you combine the duties of the treatment officer and the pension officer. Is that a usual arrangement?

Dr. CRAWFORD: In small districts we have found that this is a very workable plan. We have it in Charlottetown, and we had it for a long time at Regina.

We have plans for another small district, and we are advertising the position in Newfoundland as a joint position, a combination of pensions medical examiner and senior treatment officer. In other words, he will represent the

medical department of the pension commission and the treatment branch in Newfoundland. Now it may well be that we have to make some arrangement for part-time assistance. But the actual full time medical position will be a combined position, and it should work very well.

Mr. CARTER: Are there any other joint treatment officers and pension officers at the present time?

Dr. CRAWFORD: Yes, Charlottetown has it and Regina had it until quite recently.

Mr. CARTER: You are adding these duties to the pensions officer, but you do not give him any increase in salary?

Dr. CRAWFORD: It is an increase in salary over what his predecessor had. It is a higher grade. But again this is a problem of trying to fit into an overall organizational pattern, and we have to advertise these positions at a certain level.

If we do not get anybody, then we will probably have a good argument for pushing it up. But when we consider the work load and the time involved, we have to advertise it at what seems to be a reasonable level in terms of what is paid elsewhere in the Department of Veterans Affairs system, for similar types of work.

Mr. CARTER: Is that a decision of your department or of the Civil Service Commission, or is it joint?

Dr. CRAWFORD: It is an official decision at Civil Service Commission level. However, I cannot deny all responsibility in this, because we advise them as to what we are paying elsewhere, and what we think the work load is, and so on.

Mr. BEECH: Mr. Chairman, at the last meeting, or the day before, I was asking about the rate allowed to people being called in for treatment, and I think it was established that the department found it was costing something over 5 cents per mile. I understood that an allowance was being paid to people who come in at a rate of only 4.5 cents, or something like that.

Dr. CRAWFORD: Yes. This has certainly been queried, and it has been studied. I had a look two days ago at a study which we carried out in London not long ago, where there are trains, busses, and other public means of transportation.

Some time ago we used to insist that the man use these means of transportation, and we sent him a warrant. But this is no longer true. We give the man an option. We say: if you want to travel by bus or by railroad, we will give you a warrant, but if you want to drive your car, you may do so at so much per mile.

It was not a big study; it involved only a dozen cases; but we found that men like to drive their own cars, and that it cost the department more to bring them in allowing them to drive their own cars than it would have cost if we had sent them a warrant to come in by train.

We are quite happy to do this. It is a matter of convenience, but it is a greater expense to the department, where there are alternative means of transportation, to allow people to come in by their own cars, even at the existing rate.

Mr. BEECH: Is it not possible that there are some cases where it is cheaper for people to run their own cars? And they have the option in any case?

Dr. CRAWFORD: They have the option. We bring them in at no expense to themselves, even though there may be other means of transport.

Mr. BEECH: If it cost the department five cents, I wondered why you would not allow those people their expenses.

Mr. LALONDE: The rate is actually set by the treasury board. The new rate set by the treasury board for occasional travel is 4½ cents per mile, and we are in the process of examining the text of the treatment regulations. Although at the moment it shows in the regulation that it is four cents per mile, it will soon be four and a half cents. But even at that rate—as Dr. Crawford has pointed out—it is costing the department more, in the great majority of cases, to have a veteran travel by car than by public transportation.

Mr. BEECH: If it is cheaper to go by train, and train is available, I do not see why they should not use it; and I thought that in the event that a train is not available, the rate they are allowed should be at least sufficient to cover their expenses.

Dr. CRAWFORD: I believe this is true, that where other means of transportation are not available and a man must come in his own car, then he gets a more favourable rate. I am told this is not true; I am sorry.

Mr. LALONDE: Civil servants or anybody else who only do occasional travelling must be paid at the rate set by treasury board for that particular kind of travel, and that is four and a half cents per mile. We have no choice in the matter.

Mr. BEECH: Even though it has been established by your department that is costs more to operate a car?

Mr. LALONDE: The trouble is that it is impossible to draw the line as to where it costs the department more, or where it costs less. On the same basis that salaries of civil servants are set, on an average, so the travelling rate is also set, on an average.

Mr. BEECH: When I was in Sunnybrook two or three weeks ago one of the chaps who was there under domiciliary care was complaining very bitterly to me because they allowed him only \$5 a month back out of his war veterans' allowance. They receive an allowance back, and he was complaining that the cost of coffee, cigarettes and razor blades had been increased. I do not know whether you have any control over that, or not.

Dr. CRAWFORD: Yes, indeed we have. This is what we call comforts allowance. Less than a year ago we went into a very close study on what the amount of comforts allowances should be, taking into consideration the very factors you have mentioned, the cost of razor blades, toothpaste, and so on.

The allowance has been raised to \$10 as a result of our study. Quite honestly, I think this is quite ample for the kind of thing this old gentleman would need that is not provided.

Mr. BEECH: Apparently there has been a sharp increase just recently.

Mr. LALONDE: There is more to it than that, Mr. Beech, because we set aside 10 per cent of his income for his own use. Then we allow him this \$10 for comforts. So they certainly have more than \$5 a month for personal use.

Mr. WEICHEL: Mr. Chairman, I would like to ask Dr. Crawford a question. He said something about train being cheaper than car. Suppose a man has to go to London and then take a taxi: would that be included? Is it still cheaper by train than by car and taxi?

Dr. CRAWFORD: I would not want what I said to be considered as a general statement, Mr. Weichel. In the 12 cases we looked at—there just happened to be 12 cases that came in by their own cars—it cost more to have them drive their own cars than it would have cost us to provide them with warrants.

This was not a carefully controlled study; it was not designed to do anything except satisfy our own curiosity, and it has not been reflected in any sort of action.

Mr. WEICHEL: In the case where I take my car from Elmira to London, it is 160 miles. If I had to take the train, I would have to take my car to Kitchener first. In that case my car would be cheaper than taking the train, because when I got to London by train I would probably have to take a taxi from the station to the hospital, and back.

Dr. CRAWFORD: There are probably buses that run, are there not?

Mr. WEICHEL: There could be.

Mr. HERRIDGE: I want to ask Dr. Crawford a question, Mr. Chairman. My question concerns more or less my own district, because certain unusual problems arise. Under certain conditions, what would the department do? I ask my question just to get information, because I have had a number of unusual circumstances brought to my attention.

Say a man is being brought into Shaughnessy who is a stretcher case. The train has no sleeping accommodation; it has just a Budd car. He is not able to go in a car, and the planes can be grounded for as long as a week on occasion because of poor flying conditions in the mountains.

What would you do with that patient in the meantime—or how would you dispose of the emergency?

Dr. CRAWFORD: We would probably, in such a case as this, have to rely on the local hospital. I believe you are referring to the Kettle valley line, which indeed you mentioned last year.

Mr. HERRIDGE: Yes.

Dr. CRAWFORD: Following your query last year I asked some questions of our people and came to the conclusion that although the existence of Budd cars on the Kettle valley line was a great nuisance to us—as it is to other residents of the area—

Mr. HERRIDGE: I am glad of that supporting evidence.

Dr. CRAWFORD: —it was not anything more than a nuisance. In other words, it was not causing us sufficiently serious difficulty that we felt we could make an issue of this thing. Certainly it is a nuisance. If you can travel on plush, why travel on a hard bench—this is the same order of magnitude?

We found that in fact this situation has not disturbed us. We can fly people in and out again. If we cannot do it today, we can do it tomorrow. Meanwhile, we can accommodate them in local hospitals. We have found this situation is at least tolerable. It would be pleasant if it were better, but we see no chance of making it better, and we are getting along reasonably safely using the local resources, using local means of hospitalization which are at our disposal.

Mr. HERRIDGE: You have never had any case where you were not able to get them into a local hospital?

Dr. CRAWFORD: No, we have not, so far.

Mr. HERRIDGE: Thank you.

Mr. CARTER: Do you have any arrangements whereby you can switch patients from one district to another? In the western part of my district it is much easier to go to Sydney than to go to St. John's, and patients are often put to a lot of time, trouble and inconvenience to go all the way to St. John's. They can go to Sydney more easily, more quickly and more cheaply.

Dr. CRAWFORD: To Sydney, Nova Scotia, instead of to St. John's, Newfoundland.

Mr. CARTER: Yes.

Dr. CRAWFORD: We certainly can move veterans from one district to another. That is, pensioned veterans. In some cases, indeed, we deliberately

cross district boundaries. For example, from Magdalen Islands, which are part of our D.V.A. district of Charlottetown, we send some of these patients—particularly the French speaking ones—to Quebec City.

You must remember that in Sydney we have no departmental hospital, or no departmental wing. The only thing we have in Sydney is an out-patient clinic, so that our only financial responsibility for a Newfoundland veteran who went to Sydney would be if he were a war veterans' allowance recipient or a pensioner for the treatment of the pensioned disability. We would have no interest in him if he were not eligible in one of those ways, if he went to Sydney. If he came down to St. John's we could be a little more tolerant in our attitude.

Mr. MCINTOSH: Last year there was some discussion about part-time services of medical men, as compared with full-time, and the rates of pay were discussed. As I remember, you were not too happy about the rates of pay paid to professional men by the department, compared with what they could receive, say, in the outside world.

Has that situation cleared up at all? I am thinking of the number of medical men coming over from the British Isles at the present time. Have you had trouble getting the type of person that you require for your hospitals?

Dr. CRAWFORD: I am sorry; I do not recall this discussion last year. It could have happened.

To answer your question as to whether I am satisfied with the pay of my medical people, of course the obvious answer, and the only one I can give is no. I think I would be something less than human if I said otherwise.

But we are talking about two kinds of people, the part-time people and the full-time people. With respect to the part-time people, I can get the very best in Canada, not because they do it because they are making any money—because, quite honestly, many of them work for the department at what amounts to a financial sacrifice. These people, mind you, are from university staffs, and we get them from teaching hospitals. They work for us part-time in D.V.A. hospitals because they believe that the kind of treatment we give in D.V.A. hospitals is the kind of thing they want to be associated with.

Mr. MCINTOSH: Are they on a retainer basis?

Dr. CRAWFORD: We pay them on a half-day fee basis. It amounts, in effect, to a retainer basis. The vast majority of doctors in treatment services are employed on this basis, with the cooperation of medical faculties of universities.

We have a few full-time doctors who occupy civil service positions. A couple of years ago we made a great step forward in the remuneration for this kind of person. This has carried us along pretty happily up to the present time; but I think now we are beginning to jockey again for position to review the situation with respect to full-time doctors. But we have full-time positions, some of them with a salary of up to \$14,500 a year.

Mr. MCINTOSH: I am not aware whether there are doctors employed by other departments; but if there are, is their salary comparable?

Dr. CRAWFORD: Yes.

Mr. MCINTOSH: It is a civil service matter?

Dr. CRAWFORD: It is a civil service matter.

The CHAIRMAN: Does that complete our discussion of item 460?

Some Hon. MEMBERS: Carried.

Mr. HERRIDGE: I just have one question, Mr. Chairman, despite my colleagues' sense of urgency.

With respect to compensation paid for loss of earnings for patients who have been called into hospitals, has there been any change in the regulations or rates during the last year?

Dr. CRAWFORD: No, there have been no changes, Mr. Herridge. There have been no changes in this for some time. I think it is three or four years since we have looked at this. I do not think this compensation for loss of wages is not, in the main, very troublesome. It must be supported by a certificate. The employer must say the man has in fact lost wages, before we compensate him for what he has lost. In the main, this no longer happens. If a man goes off for some brief period of treatment he does not lose his wages. Let us say, we find our method of reimbursement as fair as the basis upon which pensions are built.

Mr. LALONDE: The equivalent of the 100 per cent pension.

Mr. HERRIDGE: That is the basis, is it?

Mr. LALONDE: Yes.

Mr. HERRIDGE: I was under the impression there was some recent change.

Mr. LALONDE: If a 50 per cent pensioner comes into hospital for a week his pension automatically increases to 100 per cent. If a pensioner comes in for a day, whether he is a 5 per cent or 25 per cent pensioner, his pension is increased to that 100 per cent, through this compensation.

Mr. HERRIDGE: What about a veteran appearing for a hearing, the basis for an application for a pension? Say he leaves his employment for four days, to go to Vancouver and return home?

Mr. LALONDE: The same amount.

Mr. McINTOSH: This is at page 572. It is about ten lines up from the bottom: Hospital insurance premiums or payments in lieu thereof *re* war veterans allowance recipients.

I notice it has been increased from \$650,000 to \$1,171,000. What is the explanation of that?

Dr. CRAWFORD: It is a very simple explanation. We started off paying premiums only for eligible W.V.A. cases, in those provinces where premiums were required. In many other provinces the cost of the hospital insurance scheme was paid for in some other way than by premiums—such as sales tax, general revenue, or whatever.

In the beginning we paid nothing to W.V.A. recipients living in such provinces. If they were covered as citizens of the province we did not pay. However, it was represented to the minister this was unfair, that we were paying a premium for hospital insurance in premium-paying provinces, and that in non-premium provinces the veteran, because he had to buy butter, clothes or whatever out of the W.V.A. allowance, those taxes should also be covered by the department.

So with effect January 1 we began to pay to W.V.A. recipients in provinces where the hospital plan is covered by other than a premium system, an equal amount, an amount of \$2.00 a month, \$24.00 a year, to reimburse him for what he has to pay out of his own pocket in order to get hospital insurance coverage.

Mr. McINTOSH: You pay that direct to the W.V.A. recipient?

Dr. CRAWFORD: We pay that direct to the W.V.A. recipient.

Mr. McINTOSH: And the amount is how much per year?

Dr. CRAWFORD: \$24.00 a year.

Mr. McINTOSH: Regardless of what the cost is in the province?

Dr. CRAWFORD: All these cost about the same—about \$2.00 a month—for a single person, which is all we take responsibility for. Where we do not pay the premium we pay the W.V.A. recipient himself a similar amount, to reimburse him. That is why there is this tremendous increase in this item.

Mr. MACDONALD (*Kings*): Mr. Chairman, this might also be related to hospital insurance. I note a significant drop—one of \$2,500,000—in the estimates for hospitalization in other than department of Veterans Affairs institutions.

I wonder if Dr. Crawford could explain that briefly?

Dr. CRAWFORD: You are quite right, Mr. Macdonald. This is a reflection of the hospital plan.

For instance, the doctor-of-choice plan it is all done in outside hospitals. It must be, by definition: the doctor-of-choice plan is done in non-departmental hospitals where the patient is sent to the hospital.

In 1956 we spent \$1,235,000 on hospital costs for these people. In 1959-60, although we did more business, we only spent \$794,000 because these people were covered by a plan and these were insured services.

The only thing we now pay for, where a man is insured, is a non-insured service, which is, in effect, the treatment of his pensionable disability. If he goes to an outside hospital for treatment of a pensionable disability we pay the whole shot, hospital bill and everything else. But if it is an insured service, the hospital plan pays for his hospitalization.

Mr. BEECH: As a matter of information, I see an item, "unemployment insurance contributions." Does that apply to people on temporary or casual work?

Dr. CRAWFORD: These are prevailing rate people.

Mr. CARTER: I want to come back to the question Mr. Herridge asked earlier. I think the deputy minister said when a pensioner is brought in for treatment—whether he is a 5 or a 25 per cent—he gets 100 per cent pension, and is paid on a 100 per cent pension basis for that period. Is that true in the case of an applicant for pension who is brought in for a hearing?

Mr. LALONDE: It is true if the applicant is brought in at the request of the Canadian Pension Commission or at the request of the pension advocate.

Mr. CARTER: Even if he is not a pensioner?

Mr. LALONDE: That is right.

Item 460 carried.

The ACTING CHAIRMAN: We now come to item 461:

Item No. 461. Medical research and education	\$ 350,000
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Have we any questions on that?

Item carried.

The ACTING CHAIRMAN: Item 462:

Item No. 462. Hospital construction, improvements, equipment, and acquisition of land	\$ 4,937,000
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Mr. CARTER: I would like to ask Dr. Crawford if any consideration has been given to the acquisition of the hospital facilities at Fort Pepperell in Newfoundland instead of proceeding with the proposed new building?

Dr. CRAWFORD: Yes, Mr. Carter, we studied this very carefully. We studied it long before there was any public announcement that Fort Pepperell was going to be abandoned, because information had come to us it probably would be abandoned.

Pepperell is a fine hospital. First of all, I think it is not certain the U.S. government is going to turn it over, so it is a matter of theorizing to some extent. But supposing they did. It is a very large hospital, you know, although the final use of beds by the Americans was down to something in the order of forty, or thereabouts. But it is a large hospital and would require a very large staff to maintain it.

I have been accused by some of your countrymen of standing in the path of progress towards an independent hospital in Newfoundland. To some extent this is true, but it is done on the basis of my firm belief that I could not provide an adequate professional and technical staff for an independent hospital in Newfoundland. Being unable to do this—as I am certain I would be—I would end up running a pest house, and I am damned if I will allow anything except first-class hospitals in the D.V.A. system.

The Americans had tremendous trouble staffing Fort Pepperell, even with the service personnel they ordered in there. They had a staff of 200 people in there at one time to keep the place going. I feel that the known requirement in Newfoundland is pretty small for active treatment. Do not tell me about domiciliary care. It is quite a different thing. I have no authority to build or acquire beds or spend any more public money on getting beds for domiciliary care.

Our active treatment requirement in Newfoundland, plus a slight amount of domiciliary care, is what is represented in this proposed pavilion. This is the situation we are up against. If we have a 400-bed hospital in Pepperell we will have to staff it for 400 beds, because I know your lads will want to get in there, whether they are entitled to or not; and we would end up with a very bad situation.

Mr. CARTER: My understanding is, this 150-bed hospital is a double facility, and you could put the whole thing underground in case of attack. But still it is only a 150-bed hospital, and that is quite a difference from 400. I do not think I can agree one hundred per cent with Dr. Crawford that a forty or sixty bed hospital is going to be sufficient for our requirements.

Mr. LALONDE: I am not a medical man, but over a period of many, many years of dealing with hospitals I always have been told that anything below 300 beds is not an economic hospital unit to operate.

Mr. CARTER: I would think Pepperell would be, because it was set up under special circumstances.

Mr. LALONDE: It is the opinion of medical people that it is not economical to run a hospital with less than 300 beds.

Dr. CRAWFORD: The total capacity at Pepperell is 315 beds.

Mr. CARTER: With duplicate facilities.

Dr. CRAWFORD: Yes.

Mr. CARTER: But they never used any more than half of that.

Mr. McINTOSH: Did I understand Mr. Lalonde to say that a hospital under 300 beds is not considered to be a hospital.

Mr. LALONDE: It is not considered economical to run, because you have to have all the facilities that you would need for many more patients. It brings up your daily cost tremendously. You have to have the kitchen and cleaning staff and all the professional people, operating rooms and everything that you have in a large hospital, and yet you have only a few patients. This is not my discovery. I have been told this time and time again.

Mr. McINTOSH: Does Dr. Crawford agree with you?

Dr. CRAWFORD: Yes. If you estimate your cost of operation on a patient-day basis, the more patients you have the lower your patient-day cost is, because you have certain fixed expenses which are there whether you have 100 or 500 beds.

Mr. McINTOSH: I thought Mr. Lalonde said under 300 beds it is not a hospital.

Dr. CRAWFORD: He said it is not economical to operate below 300 beds.

For a moment may we return to the need for hospitalization in Newfoundland? The original proposal was that the veterans wanted to be treated like veterans elsewhere in Canada. This was the plea and we sympathized with it. We calculated the number of entitled veterans in Newfoundland and compared that with the number of entitled veterans elsewhere in Canada. I assure you, on the basis of these calculations, the number of beds we are supplying in Newfoundland in the St. John's pavillion brings it up to the number of D.V.A. beds for veterans in the rest of Canada.

Mr. CARTER: That may be true on a mathematical basis but not on a service basis. When the hospital becomes crowded they bring in children and anybody down there. The veterans are not free in connection with the discipline of the hospital, because if there is a sick child there they cannot look at television or play cards.

Dr. CRAWFORD: There will not be any children in the new pavillion.

Mr. CARTER: There is no pavillion now.

Dr. CRAWFORD: What you have at the present time is not adequate, we agree.

Mr. CARTER: When you estimated the number of beds required in the pavillion did you assume that a large number of veterans will be taken care of by the cottage hospital system, or did you make provision for all the veterans in Newfoundland who might come to that hospital.

Dr. CRAWFORD: No sir. We only allowed for the number of veterans who were entitled to come to our hospital; that is pensioned veterans and W.V.A. recipients.

Mr. CARTER: No matter where they are.

Dr. CRAWFORD: Yes. I think it is quite true that a number of them will not come to St. John's but will stay in the cottage hospitals and we will quite happily continue to pay under the doctor of choice plan. This may give us a few extra beds in the pavilion. It is a very difficult proposition to forecast the exact requirement in Newfoundland, one reason being that the Newfoundlander is a very prideful man and—living in the outports on his veterans allowance he is a pretty independent gentleman and is not going to give up that independence happily and come into St. John's to live in a D.V.A. institution. I say more power to him.

Mr. CARTER: You are speaking of domiciliary care.

Dr. CRAWFORD: Yes.

Mr. CARTER: Well, I am thinking more in terms of the active treatment people. You have 40 beds now.

Dr. CRAWFORD: Thirty beds.

Mr. CARTER: You are going to provide 60?

Dr. CRAWFORD: We have never had more than 42 patients in the present wing.

Mr. CARTER: No, because the others have been taken care of in the cottage hospitals.

Dr. CRAWFORD: They will continue to do so.

Mr. CARTER: When a veterans' pavillion is set up it is not logical to assume the cottage hospital will say it is the responsibility of the federal authorities and will ask themselves why they should carry out that responsibility when they need these beds for other people?

Dr. CRAWFORD: The province will pay for it in any event. These people are W.V.A. recipients and are insured. No matter where they are, the province will pay for the hospitalization.

Mr. CARTER: Yes; but they are taking space in cottage hospitals which is required by other people. It means the province would have to supply additional beds somewhere which they ought not to be required to do if it is the federal government's responsibility to take care of them.

Dr. CRAWFORD: Everywhere else the tendency of W.V.A. recipients is to prefer to be hospitalized close to their home and community. We force them into our D.V.A. hospitals on many occasions because we have empty beds and do not want them empty.

Mr. CARTER: The cottage hospitals do not have the facilities of the ordinary hospital.

Dr. CRAWFORD: In many cases of hospitalization I think they are quite competent to deal with our patients. Those which are not suitable are brought into the pavillion.

Mr. CARTER: I am not completely convinced we are providing adequate facilities for Newfoundland in the new pavillion. In other cases there is another factor. It is a convenience to have all your D.V.A. services in one building, whereas in Newfoundland now you are splitting them up. Usually you spend a million dollars to bring in together a lot of scattered services, but in Newfoundland you are going to divide them up.

Dr. CRAWFORD: What services do you mean?

Mr. CARTER: You will have pensions and treatment in one place, and D.V.A. and other services will be in the Sir Humphry Gilbert building.

Dr. CRAWFORD: This applies in most places in Canada. Administrative services are not contiguous to the treatment services.

Mr. CARTER: Would it be an advantage to have them together?

Dr. CRAWFORD: No.

Mr. CARTER: It would be an advantage to the veteran. He has to travel all over creation.

THE ACTING CHAIRMAN: It seems to me we are getting into a debate which perhaps could be pursued outside the committee.

Mr. HERRIDGE: I see an item of \$4,937,000 for hospital construction, improvements, equipment and acquisition of land. It appears we are allocating over a number of years about the same amount for this purpose. Is it the policy of the department more or less to anticipate a certain amount being required for construction and improvement throughout the years and that it be done over a long term period as required? Secondly, what amount of this will be spent on construction and improvements at Shaughnessy hospital in Vancouver?

Dr. CRAWFORD: The answer to your first question is yes, this is a long term program which has been planned very carefully, and phased. We have imposed on us a treasury board limitation as to the amount we can do in any one year, so that this tends to fix the amount of money we spend.

Mr. MCINTOSH: I have a supplementary question. Do you have a graph as to what year the cut-off will be when you feel your requirements will be going down instead of going up.

Mr. LALONDE: Perhaps I might answer that. The restriction to which Dr. Crawford referred is not entirely a money restriction. Many years ago we were told to restrict our major projects in each year to two projects. On that basis we plan a long range program of replacement of obsolete accommodation. I must say that that program is about four-fifths complete now. There are only two areas now which require consideration for the future; one is Montreal and the other is Halifax. All the other cities where we have a hospital have been slotted into that long-range program.

Mr. McINTOSH: When was it started?

Mr. LALONDE: It was started in 1950.

Dr. CRAWFORD: Mr. Herridge asked for another figure.

Mr. MACE: I think the question is how much money we expect to spend on Shaughnessy hospital next year.

Mr. HERRIDGE: Yes.

Mr. MACE: We have provided an amount of \$635,000 for Shaughnessy hospital for 1960-61. Quite frankly I do not think we will spend that amount of money because the project went faster than we expected. These estimates were prepared, as you know, last October. I think the main contract went faster than expected and we did not need to carry over that amount. It really is only a clean-up. The job virtually is finished now.

Item agreed to.

PROSTHETIC SERVICES

Item No. 463. Supply, manufacture and administration including authority, notwithstanding the Financial Administration Act, to spend revenue received during the year for prosthetic and related services \$ 1,286,275

Mr. CARTER: Has there been any recent adjustment in the scale of assistance for prosthetic services in view of the cost of living and higher prices?

Dr. CRAWFORD: Do you mean the allowance for clothing, wear and tear, and that sort of thing?

Mr. CARTER: Yes.

Dr. CRAWFORD: These allowances are granted by the pension commission. I do not grant them.

Item agreed to.

Mr. HERRIDGE: Are we now at the end of Dr. Crawford's estimates?

The ACTING CHAIRMAN: Yes.

Mr. HERRIDGE: I am pleased to inform Dr. Crawford that I repeatedly receive letters, and have heard personally, from veterans who in every case express satisfaction with the treatment they have received at Shaughnessy hospital.

Dr. CRAWFORD: Thank you.

There is item 468 which is special treatment and other allowances.

The Acting CHAIRMAN: Shall we take item 468 under the general heading of treatment services?

Item No. 468. Treatment and other allowances \$ 2,560,000

Mr. HERRIDGE: Why is this item separate from item 462?

Mr. McINTOSH: Because it is under war veterans allowance.

Mr. LALONDE: No. These are statutory benefits. They are not included in the administration group of votes. This is a benefit paid to veterans.

Item agreed to.

The CHAIRMAN: That concludes treatment services. Thank you, Dr. Crawford.

Dr. CRAWFORD: Thank you very much, Mr. Chairman and gentlemen.

The ACTING CHAIRMAN: Before Dr. Crawford leaves us, you will remember that last year the committee visited Sunnybrook hospital in Toronto. I think it might be advisable if our steering committee considered the possibility of making a similar visit perhaps to a hospital in the province of Quebec.

Dr. CRAWFORD: We will be very happy to have you at any of the hospitals. If I had a choice I would like this committee to see the Ste. Anne's and Montreal complex, especially since I am going to be asking you for a large amount of money in the very near future for the reconstruction program which we propose there. I think it only fair that you should see what we propose to replace.

Some Hon. MEMBERS: Hear, hear.

The Acting CHAIRMAN: We will go on to item 464.

Item No. 464. Veterans' bureau \$ 643,705

The Acting CHAIRMAN: Brigadier Reynolds is the chief pensions advocate, and we welcome him here.

Mr. P. E. REYNOLDS, (*Chief Pensions Advocate, Veterans Affairs Bureau*): Mr. Chairman, the members of this committee will recall that at previous meetings I explained the purpose of the bureau in some detail; therefore, at this time my comments will be very brief. The veterans' bureau was established in 1930 by amendment to the Pension Act and has a present establishment of 35 pensions advocates and 105 clerks and stenographers. Its purpose is to assist veterans, on their request and free of charge, in preparing and presenting their claims under the Pension Act and under any legislation which gives the Canadian pension commission jurisdiction to adjudicate. All of the pensions advocates are at the present time veterans of the armed forces of Canada. It is, however, becoming increasingly difficult to find suitable solicitors with military service to fill vacancies as they arise.

The veterans' bureau is required to prepare a wide variety of pension claims which arise out of many different types of military and non-military service rendered by applicants. Pension law and procedure applied in one case may be quite different to that applied in another case, depending upon the nature of the claim and the type of service that the claim is based upon. Consequently, the advocate must have a thorough knowledge of pension law and administration and be fully conversant with the statutes and orders relating to pension claims in order that he may give effective advice. These statutes and orders include the Pension Act, Veterans Benefit Act, the Civilian War Pensions and Allowances Act, the Royal Canadian Mounted Police Act and the Flying accidents compensation order.

The majority of the claims prepared by the bureau arise out of service with the Canadian Expeditionary Forces during World War I and with service with the Canadian forces during World War II. In addition, many claims arise out of an applicant's service with the naval or military forces of Newfoundland in World War I or II, regular force service in peace time, special force service, R.C.M.P. service, merchant navy service, and service with the forces of the United Kingdom, British Commonwealth of Nations, and other countries allied with us in World Wars I and II.

The advocate's duty in presenting an appeal at the appeal board hearing is a very important one. He must ensure that all available evidence, both documentary and oral, is presented in its most favourable light, supported by argument, because the decision of this board is a final one, subject only to an applicant's right to make a later application to another appeal board for leave for the commission to entertain a fresh claim. Two hundred and sixty-six (266) applications for leave were prepared by the district pensions advocates and presented to appeal boards in Ottawa by advocates on the head office staff last year.

In the last fiscal year the bureau submitted a total of 6099 claims of all types to the commission for decision and represented applicants either individually or in collaboration with the service officers of veterans' organizations at 1426 appeal board hearings. These figures indicate a slight increase in claims

submitted over the preceding fiscal year and a slight decrease in the number of claims heard by appeal boards. In considering the workload of the bureau, however, it is important to remember that each year that passes increases the difficulty in tracing witnesses and of obtaining evidence of incidents which took place a number of years ago. Consequently, the passage of time makes the preparation of each case more time consuming.

It is a statutory duty of the bureau to prepare a summary of evidence before a claim is heard by the commission on second hearing or at appeal board hearing. In the fiscal year ending March 31, 1959, 1974 summaries of evidence and 1405 supplementary summaries were prepared by the bureau.

The bureau also prepares the summary of evidence in cases where the applicant is represented by the service bureau of a veterans' organization or by his own solicitor. In all such cases the bureau cooperates to the fullest extent with the applicant's chosen representative.

Mr. Chairman, this very briefly describes the work performed by the veterans' bureau.

The Acting CHAIRMAN: Thank you. Are there any questions on item 464?

Mr. CARTER: In respect of the last statement that the bureau cooperates with the veterans representative, what would that be? Why would he have a representative in addition to the pensions advocate? Would that be another lawyer?

Mr. REYNOLDS: Some applicants prefer to have their own counsel. Other applicants are represented by the service bureau of the Canadian legion or the army and navy veterans organization.

Mr. ROGERS: I would like to ask Mr. Reynolds whether these pension advocates ever have any refresher courses?

Mr. REYNOLDS: We have never had one yet. We are proposing, however, to ask in the estimates this year to bring them all in for one week at Ottawa.

Mr. ROGERS: I think that would be a good idea.

Mr. REYNOLDS: It would be. Some of them keep up their law by taking the course provided by the law society of Upper Canada but we have not had a course specifically dealing with pension law, and that is what we propose.

Mr. ROGERS: Thank you.

Mr. MCINTOSH: I have two questions. Has there been an increase or decrease in the volume of work?

Mr. REYNOLDS: The total number of claims has increased slightly. Actually, the volume of work increases each year due to the lapse of time. Every year claims become more and more difficult to prepare. It is difficult to find documents and so on.

Mr. MCINTOSH: I see in the estimates that you have upgraded principal clerks to supervising clerks. Does that have something to do with the civil service classifications so that they will receive higher renumeration?

Mr. REYNOLDS: Yes, the recommendations which were made to the Civil Service Commission are still subject to review. We hope to induce the clerks in the veterans bureau to stay with us, and to give them some chance of promotion.

Mr. BEECH: Are all advocates listed under the heading of solicitor, now?

Mr. REYNOLDS: Yes. We will only have one advocate so listed after the 15th of next month who is not a solicitor.

Mr. CARTER: How many appeals did you say were carried on during the last year?

Mr. REYNOLDS: 1,426.

Mr. CARTER: Can you tell us how many of those appeals were successful?

Mr. REYNOLDS: Yes. I can give you the figures from the Canadian pension commission report. They show the total number of appeals as 1,426, of which 639 were granted, and 695 were not granted.

Mr. CARTER: About 50 per cent?

Mr. REYNOLDS: That is right.

Mr. WEICHEL: Have we ever sent a letter to the Legion thanking them for their cooperation in this veterans bureau?

Mr. REYNOLDS: They cooperate very, very closely with us all the time. They work with us through the head office.

Mr. WEICHEL: The Canadian Legion command?

Mr. REYNOLDS: Yes.

Mr. HERRIDGE: I was interested in the reference to the fact that you found it more difficult as the years went by to get solicitors to fill the positions of veterans advocates, which I understand in most cases are part time and not full time positions.

In view of the fact that some years ago the majority of veterans advocates were not gentlemen with legal training, but in the great majority of cases they gave excellent services, has consideration been given to this question to meet the needs of the veterans bureau, and has the department employed as solicitors those without service in the armed forces?

Mr. REYNOLDS: It has not been necessary to employ any solicitor in the veterans bureau who was not a member of the armed forces, and we are still hoping to recruit solicitors who are ex-members of the armed forces.

Mr. LALONDE: There is only one additional difficulty in this system. It is that it takes years to train a pensions advocate who is not legally trained; and when we have a vacancy which has to be filled right away, we like to fill it with a qualified lawyer who can step right into the work.

Mr. HERRIDGE: Yes.

Mr. LALONDE: Otherwise we would have to take at least five years to train a layman.

Mr. HERRIDGE: You have not found it necessary, to date, to employ solicitors without services in the armed forces?

Mr. LALONDE: Not yet.

Mr. MCINTOSH: Is the turnover great?

Mr. REYNOLDS: It is at the moment, because they are reaching the retirement age.

Mr. CARTER: How does the scale of pay compare to what a lawyer might earn in ordinary practice? Or can he combine the two? Can he have a separate practice apart from his D.V.A. appointment?

Mr. LALONDE: No. Our pension advocates or departmental solicitors are in most cases full time solicitors, wherever there is enough work to employ them as full time solicitors.

For a year or so I have been working with the director of legal services, and with the chief pensions advocate on the question of adequate salaries for lawyers, and I am pleased to report that at last the commission, at the moment, agrees with us that a substantial change is necessary to provide an incentive for a career for a lawyer in our department. I hope that the problem which Mr. Reynolds mentioned a moment ago will be solved shortly.

Mr. HERRIDGE: That is very good.

Mr. BEECH: Is the percentage of successful applicants greater now than it was before you started to hire solicitors?

Mr. REYNOLDS: The present policy has been followed since the war. I think during this period there have been a lot more appeal board claims won than there was before, but that is not entirely due to the fact that we employ our own solicitors.

Mr. MACDONALD (*Kings*): Is there a statute or regulation which requires that a pension advocate must be a solicitor?

Mr. REYNOLDS: I have forgotten the exact wording of the act. It is not mandatory that they be solicitors, but "wherever possible" is the expression used.

The ACTING CHAIRMAN: Does that complete our discussion of item 464?

Item agreed to.

Shall we now pass on to item 465, war veterans allowance board, or shall we adjourn?

Mr. BEECH: There are two or three items.

Mr. HERRIDGE: Yes, it is quite an item.

The ACTING CHAIRMAN: All right. It seems to be the wish of the committee that we adjourn. But before we do so I would like to refer to one of the items of information tabled by Mr. Anderson, chairman of the pension commission, entitled Comparative Table Showing Increase in Disability Pension, the Cost of Living Index, and Salaries. This may be useful as an appendix to today's record. What is your feeling?

Mr. CARTER: I move that we have it appended to today's proceedings.

The ACTING CHAIRMAN: All in favour?

Agreed.

(See Appendix A.)

The meeting is adjourned until next Thursday. Thank you.

APPENDIX "A"

COMPARATIVE TABLE SHOWING INCREASES IN DISABILITY PENSION,
THE COST OF LIVING INDEX, AND SALARIES.

SCHEDULE A OF THE PENSION ACT

Year	Cost of living index (1949-100)	100% Pensioner (Pte)					Manufacturing		
		Single	Married 3 children	Customs guard (Max)	Cleaning service man (Max)	Average industrial composite wage	Production workers	Administrative office employees	Average wage
		\$	\$	\$	\$	\$	\$	\$	\$
1916	54.2	480	696	—	—	—	—	—	—
1917	63.7	600	984	—	—	—	762	1,315	—
1919	78.8	720	1,260	1,260	900	—	940	1,482	—
1920	90.5	900	1,644	1,260	900	—	—	—	—
1925	74.6	900	1,644	1,260	1,020	—	971	1,843	—
1947	84.8	1,128	2,052	1,980	1,620	1,882	1,713	2,484	1,890
1952	116.5	1,500	2,604	2,700	2,400	2,815	2,647	3,513	2,918
1957	121.9	1,800	2,964	3,360	2,910	3,532	3,269	4,471	3,637
1960	126.9	1,800	2,964	4,360	2,910	3,903	—	—	4,055

NOTES: Attendance allowance of \$480 to \$1,800 per annum, depending on the degree of attendance required, may be paid in addition to the pension rates quoted. There is also provision for clothing allowance in certain cases, maximum \$96 per annum.

In 1919, a bonus of 20% was authorized over the basic rate of pension then in force (\$600 per annum), bringing the rate of pension for total disability to \$720 per annum. In 1920, this bonus was increased to 50%, making the rate of pension for total disability \$900 per annum. This rate remained in effect until 1925, when the bonus was incorporated into the pension rates. This bonus is included in the rates quoted above.

The average wages are those of workers employed by establishments usually employing 15 persons and over, in the major non-agricultural industries. The salaries quoted for Production Workers and Administrative Office Employees are averages of the entire manufacturing industry.

ANNUAL AWARDS TO WIDOWS AND CHILDREN UNDER SCHEDULE B
OF THE PENSION ACT.

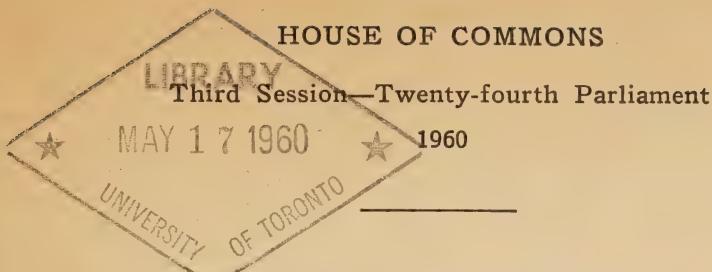
Year	Cost of living index (1949-100)	Private		Colonel	
		Widow	Widow with 3 children	Widow	Widow with 3 children
		\$	\$	\$	\$
1916.....	54.2	384	600	1,512	1,872
1917.....	63.7	480	768	1,512	1,872
1919.....	78.8	576	972	1,512	1,908
1920.....	90.5	720	1,164	1,512	1,956
1925.....	74.6	720	1,164	1,512	1,956
1947.....	84.4	900	1,452	1,512	2,064
1952.....	116.5	1,200	2,328	1,512	2,640
1957.....	121.9	1,380	2,508	1,512	2,640
1960.....	126.9	1,380	2,508	1,512	2,640

ANNUAL AWARD

	Total Disability 100% pension (single rates)	Widows Pension
	\$	\$
In 1914 based on Pay and Allowance regulations.....	150	120
P.C. 887 of April 29, 1915.....	264	264
P.C. 1334 of June 3, 1916.....	480	384
P.C. 2999 of October 22, 1917.....	600	480
Pension Act of September 1, 1919		
Cost of living Bonus 20%.....	720	576
Parliamentary Committee of 1920		
Bonus increased to 50%.....	900	720
if living in Canada, if not remained at 20%.		
Residence restriction removed 1921.....	900	720
1921-1925, bonus continued 50%.....	900	720
1925, bonus absorbed. <i>Basic rate</i>	900	720
1948, Increase in basic rate 25% effective from October 1, 1947.	1,128	900
1951, Increase in basic rate 33 1/3% effective from January 1, 1952.	1,500	1,200
1957, Increase in basic rate 20% and 15% effective from July 1, 1957.	1,800	1,380

MAXIMUM INCOME TAX ON 1960 SALARIES SHOWN IN TABLE

	Total exemption	Salaries				
		\$4,360	\$2,910	\$3,903	\$4,055	
	\$					
SINGLE						
Exemption \$1,000 plus \$100 allowed for Charitable and Medical.....	1,100	tax...	542	269	457	486
MARRIED—3 CHILDREN						
All on family allowances—\$2,750 plus allow- able \$100.....	2,850	tax...	219	9	144	169
MARRIED—3 CHILDREN						
2 on family allowances, 1 over 16 years, dependent—\$3,000 plus allowable \$100..	3,100	tax...	178	0	108	129
MARRIED—3 CHILDREN						
1 on family allowances, 2 over 16 years, dependent—\$3,250 plus allowable \$100..	3,350	tax...	137	0	75	95
MARRIED—3 CHILDREN						
All over 16 years, dependent—\$3,500 plus allowable \$100.....	3,600	tax...	103	0	41	61



STANDING COMMITTEE

ON

VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 7

THURSDAY, MAY 5, 1960

ESTIMATES OF THE DEPARTMENT OF VETERANS AFFAIRS 1960-1961

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs;
Mr. L. A. Mutch, Deputy Chairman, Canadian Pension Commission;
from the National Council of Veteran Associations in Canada: Col.
E. A. Baker, Chairman; Judge F. G. J. McDonagh, Vice-Chairman;
Padre Col. A. Lambert; K. Butler and W. Dies.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	*Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	McEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

*Replaced Mr. Fairfield on Wednesday, May 4, 1960.

ORDER OF REFERENCE

WEDNESDAY, May 4, 1960.

Ordered,—That the name of Mr. Jung be substituted for that of Mr. Fairfield on the Standing Committee on Veterans Affairs.

Attest.

L.-J. RAYMOND,
Clerk of the House.

MINUTES OF PROCEEDINGS

THURSDAY, May 5, 1960.
(8)

The Standing Committee on Veterans Affairs met at 11.03 a.m. this day. The Chairman, Mr. Montgomery, presided.

Members present: Messrs. Batten, Beech, Benidickson, Carter, Dinsdale, Fane, Forgie, Fortin, Garland, Herridge, Kennedy, Lennard, Macdonald (Kings), MacEwan, MacRae, Matthews, McIntosh, McWilliam, Montgomery, Ormiston, Parizeau, Peters, Pugh, Roberge, Rogers, Speakman, Stearns, Stewart, Thomas, Weichel, and Winkler.—(31)

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. L. A. Mutch, Deputy Chairman of the Canadian Pension Commission; Lt. Col. E. A. Baker, Chairman, and Judge F. G. J. McDonagh, Vice-Chairman, National Council of Veteran Associations in Canada; Mr. W. Dies, of Sir Arthur Pearson Association of War Blinded; Padre Col. A. Lambert, Messrs. Keith Butler and Cliff Chadderton, of War Amputations of Canada; K. Langford and A. Clarke, of Canadian Paraplegic Association; J. C. Lundberg, J. P. McNamara and J. P. Nevins, of Army, Navy and Air Force Veterans in Canada.

The Chairman introduced Col. Baker and Padre Lambert, and Col. Baker introduced delegates from the National Council of Veteran Associations in Canada.

Col. Lambert read the Council's brief, copies of which were distributed to the members of the Committee.

The six recommendations contained in the brief were considered individually and the following witnesses were questioned: Messrs. Baker, Lambert, McDonagh, Dies, Lalonde and Mutch.

At 12.45 p.m., the Committee adjourned to meet again on Thursday, May the 12th.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, May 5, 1960
11:00 a.m.

The CHAIRMAN: Gentlemen, will you please come to order. I promised the chief of the reporting staff that we would not sit beyond 12:30 today because he is having great difficulty in getting sufficient reporters.

Secondly, I would like to say thank you to Walter Dinsdale, your former chairman, who stepped into the breach at your kind request last week when I was absent on account of sickness, and could not be here.

Thirdly, I would like to meet after this meeting with the steering committee, if it is possible for them to stay. We have two matters which I would like to clean up before we leave today.

We have with us today representatives from the national council of veterans organizations in Canada, and I am going to ask Walter Dinsdale to introduce the delegation to the committee.

Mr. W. G. DINSDALE (*Parliamentary Secretary to the Minister of Veterans Affairs*): Thank you, Mr. Chairman, for this opportunity. First of all, I want to welcome this distinguished delegation on behalf of the minister, the Hon. A. J. Brooks, who has to be in cabinet this morning. He had hoped to be able to come to the committee and meet his old friends in the delegation here this morning—and when I say "old friends", I mean it in the sentimental and affectionate sense rather than in the physical sense; because while some of these men with us in the delegations are old in terms of service as veterans, nevertheless they remain young in spirit.

I was talking to Colonel Eddy Baker just before the meeting commenced this morning and I was surprised to find that it would not be too long until he will be drawing the old age pension. Yet he still looks like a young man.

Now, gentlemen, it is a pleasure to have you with us this morning. The veterans council embraces a large number of veterans organizations.

At the head table with the chairman we have Colonel E. A. Baker, who is well known in veterans circles throughout Canada; and then we have Padre Colonel S. Lambert, who is sitting immediately to the right of the chairman, and who is equally notorious—or perhaps I should say famous—in veterans circles.

I had some dealing with Padre Lambert immediately after the war, and Christie street hospital.

Now, gentlemen, Padre Lambert and Colonel Baker, I think it would be fine if you shared the honour of introducing the members of your delegation to this meeting.

Colonel E. A. BAKER (*Chairman of the National Council of Veterans Organizations*): Mr. Chairman, Mr. Dinsdale, and gentlemen: I hope you can all hear me. Is it coming through all right?

Mr. DINSDALE: Fine, loud and clear.

Colonel BAKER: All right. You have already had Colonel Lambert introduced to you. I would like to introduce next—and I think it would be well for the individual to stand up for a moment so that you may identify him hereafter—next I would like to introduce to you Judge F. G. J. McDonagh, deputy chairman of the national council. Stand up for a moment, Frank. He represents the Canadian pensioners association. Who is next?

I would like to introduce to you Mr. Jack Nevins, of the army, navy and air force veterans in Canada; and then I have Mr. Ken Langford, of the Canadian paraplegic association; and Andy Clarke, of the Canadian paraplegic association; Mr. J. C. Lundberg, of the army, navy and air force veterans in Canada; Mr. J. P. McNamara, of the army, navy and air force association; and now there is a gentlemen here with whom I have travelled for a long time, our friend Bill Dies, of the Sir Arthur Pearson association of war blinded, from Toronto. He fought in both campaigns; he is blind and he is missing an arm. Stand up for a moment, Bill.

Then we have Mr. Keith Butler of the War amputations of Canada, Mr. Cliff Chadderton, of the war amputations of Canada; and I think that completes the list of our delegation.

Mr. WEICHEL: And who is the good looking man with the white collar?

The CHAIRMAN: Do you wish to proceed with your brief, Colonel Baker?

Colonel BAKER: Perhaps I might say a word or two in introducing my brief.

The CHAIRMAN: Yes.

Colonel BAKER: Mr. Chairman, and gentlemen: it was very kind of you to permit representatives of our national council of veterans associations to meet with you. We realize that you are busy men, and we regard ourselves as unofficial partners with the Department of Veterans Affairs and the Canadian pension commission in clearing up problems and in assisting in any way we can. Our relationships have been good all down through the years. We have tried not to impose upon you or to be unreasonable.

Sometimes we have lived under certain circumstances and certain times, and we have lived with problems for quite a while before we decided to bring them forward to you.

Now, in our presentation today we have kept our brief to a brief basis, and I hope we will have an opportunity for questions and a discussion.

Without anything further I would like at the moment to ask Colonel, the Reverend Sidney Lambert of the war amputations to read our brief to you. I hope you all have copies.

Colonel the Reverend Sidney LAMBERT (*War Amputations of Canada*): Mr. Chairman, and I was going to say fellow comrades, because I understand that the majority of this committee are ex-service men.

Colonel BAKER: No, all.

Reverend LAMBERT: All? That's fine. That is what we want to come down for; we have come at our own expense, mind you.

Mr. GARLAND: All but one.

Reverend LAMBERT: That is fine. I had no idea that this committee was composed of all ex-service men. If you get defeated this time, you will get a pension. The candidates at the last election received more pension than any of us receive, and a good lot more. Good luck to them, and with no decrease to them at all unless something happens. But that is beside the question. Thank you for your kindly reference to us by one of the gentlemen who did not know me. Once I was up in Kitchener where this gentleman comes from, and I put on my clerical collar so that the people would know what I represent. This is Sidney Lambert who has been with you these many, many times.

This is a very elaborate brief. Look at the money we spent to come down here. We pay our own expenses, yet we put a special cover on this brief. Take it home and show it to your wives. Tell them that this is the brief to the committee on veterans affairs, and that I am glad to be here.

I would like to refer this morning at the outset to one who never comes with us any more. His remains are being sent in a little casket to the city of Toronto from Victoria, B.C. where, under the Department of Veterans Affairs

and Dr. Crawford, he has been under the care of your department in a most wonderful way. I refer to our old friend Dick Myers. Nobody knew him better than you. Dick was one of the great men in our organization of war veterans of Canada. He served with the Princess Patricia Canadian Light Infantry, and as an amputation case he developed that annoying disease known as Parkinson's disease. He was under the care of veterans affairs for the last 12 or 13 years at Victoria. He just died the other day.

I hope that his widow will receive a pension. If she does not get one—if Dick Myers' widow does not receive a pension, then nobody should get a pension; because Dick Myers knew more about pensions than any man in this country, or any ex-service man in this country; and the leadership which he gave in our organization concerning pensions was tremendous. May he rest forever in peace. His remains are being brought back to Toronto so that we may do honour to them in a few days from now.

There was a mistake in the proceedings which I want to correct. Somebody said very kindly the last time we were down before you—somebody expressed regret about the padre not being here, but in the record or the Hansard or whatever you call it, it says: "Paddy" Lambert. Well, I might be anything, but I am not that! Your records should state Padre Lambert, Serial No. 35,398 of the 50th battalion, Royal Canadian regiment, at \$1.10 a day in the First great war. That is me.

BRIEF OF
NATIONAL COUNCIL OF
VETERAN ASSOCIATIONS IN CANADA
TO THE
STANDING COMMITTEE ON VETERANS AFFAIRS
MAY 5th, 1960

Mr. Chairman and Gentlemen:

This submission is made by the National Council of Veteran Associations in Canada on behalf of the following member organizations:

	Organized
Army, Navy & Air Force Veterans in Canada	1840
Canadian Corps Association	1934
Canadian Council of Industrial War Veterans Assoc.	1952
Canadian Paraplegic Association	1945
Hong Kong Veterans Association	1946
Sir Arthur Pearson Association of War Blinded	1920
The War Amputations of Canada	1920

Do you know, I was their first president, and at the last convention, or the previous to the last convention, they made me life president of the organization, so I may be down again, because they cannot kick me out.

The last one is:

War Pensioners of Canada 1922

We appreciate your consideration in permitting us to present recommendations which, if approved, will alleviate some problems and hardships, for War Disabled ex-service men. I do not know whether we should say "ex-service men and women". Perhaps we should.

Certain of our recommendations have been presented to this Committee previously by our National Council and in some instances by one or more of our member organizations. We have always been grateful for the considerate attention of this Committee and its predecessors, to our recommendations. We have enjoyed our co-operative relationships with the Department of Veterans Affairs, the Canadian Pension Commission and the War Veterans Allowance Board, and with all who are concerned with the administration of provisions for ex-service men and women. Our recommendations at this time are intended to clear misunderstanding, hardships and anomalies.

1. Recommendation:—

"THAT the term 'WAR DISABILITY COMPENSATION' be substituted for the word, 'pension' wherever the latter appears in the present Pension Act which provides compensation for the war disabled of Canada".

*Comment:—*This recommendation has been made before. Representatives of the War Disabled and their friends will probably continue to make this recommendation until it is adopted or until the last disabled ex-service man has passed on. We urge this change because the word 'pension' or 'pensioner' carries with it the connotation of an hireling, a dependent, or of one in receipt of income as an act of grace. Employers often associate with the word an inferior status and governmental responsibility for support.

2. Recommendation:—

"THAT the present rate of War Disability Compensation (i.e. pension) payable under Schedules "A" and "B" of the Canadian Pension Act, together with the rate of Attendance Allowance payable under Section 30(1) of the said Act, be increased by one third."

*Comment:—*Since the war the economic condition of the seriously war disabled has gradually worsened in comparison with that of their fellow citizens. An indication of this can be found in the cost of unskilled labour. Since Canada first had a Pension Act the amount of compensation awarded for 100% disability has been related to the amount paid in the unskilled labour market. It is a fact that in these days the basic rate of War Disability Compensation is considerably lower than that paid in the unskilled labour market and it is our recommendation that there be an increase of one third across the board.

3. Recommendation:—

"THAT on the death of a married pensioner having a 60% or greater disability, war disability compensation at married rate be continued for a period of one year."

*Comment:—*The economic adjustment that must be made by the widow on the death of her husband requires some time to complete. A sharp reduction in income on the first of the month following her husband's death may leave the widow facing a financial crisis before she is able to deal with it. For this reason we recommend continuation of compensation at married rates for a period of twelve months.

4. Recommendation:—

“THAT the portions of Sections 20, 21 and 22 of the Act which relate to the death of a pensioner, Classes 1 to 11, caused by the negligence of some person, be deleted from the Act.”

*Comment:—*When a pensioner, Classes 1 to 11, is killed as a result of the negligence of some person, Canada receives the damage settlement or judgment of a civil court, because under these sections the widow is required to elect if she will keep the amount of the settlement or judgment and suffer a reduction in pension which she has of right under the Act, or turn the whole settlement or judgment over to the Receiver General of Canada. If she turns the money over, there is not even a provision whereby the Pension Commission may allow her to keep what is known as special damages; i.e. hospital, medical, ambulance and funeral costs or damages to an automobile in which the pensioner may have been riding.

5. Recommendation:—

“THAT action be taken to emphasize the responsibility of the Canadian Pension Commission in their administration of Section 70 of the Pension Act, so that ‘all reasonable inferences and presumptions’ shall be drawn in favour of any applicant for pension.”

*Comment:—*The ‘benefit of the doubt’ section, No. 70 of the Pension Act, was incorporated nearly thirty years ago to overcome difficulties of applicants for compensation in respect of disabilities related to war services. The onus of proof lies on the claimant, while the Government of Canada is custodian of the records. Many of the original records are missing as a result of enemy action, accidents in transit, human error, etc. Most of the First War and many of the Second War veterans now encounter difficulty in obtaining evidence. It is therefore imperative that full weight be given to their rights under Section 70.

6. Recommendation:—

“THAT war disability compensation cases in Classes 1 to 11 be afforded treatment and hospitalization for any conditions without charge to the patient.”

*Comment:—*Departmental treatment regulations provide for complete coverage of treatment and hospitalization for the pensionable disability. In addition the Federal-Provincial Hospital Insurance plans will cover most but not all of the hospitalization costs for other causes. This recommendation is intended to complete the present coverage and so ensure that the serious disability cases in Classes 1 to 11 may in fact obtain free treatment and hospitalization for any condition, whether directly related to war service or not.

*Conclusion:—*In making this presentation, we have included only the most important items affecting War Disability Compensation and policies affecting adjudication and public relations. Other recommendations presented on May 11th, 1959, to this Committee and not specifically referred to in this Brief, are still on our list of unfinished business wherever applicable. Higher living costs, changing conditions and sharpened perceptions due to experience have constituted the basis on which our presentation has been framed.

We deeply appreciate the considerate attention which the members of this Committee have always accorded us. We also appreciate the confidence which has been demonstrated by the Honourable the Minister of Veterans Affairs, by the Canadian Pension Commission, the War Veterans Allowance Board, and all associated with the administration of provisions for the welfare of ex-service men in general, the disabled in particular, and their dependents.

It is respectfully submitted,

(Signed by)

E. A. Baker, Chairman

F. G. J. McDonagh, Vice-Chairman

J. P. Nevins, Secretary
of the National Council of Veteran Associations in Canada,
which is before you.

The CHAIRMAN: Thank you very much, Padre Lambert.

Now we will open the meeting with questions.

Mr. CARTER: Could someone present give us the total membership of the national council of veterans? I would like, for my own information, to have some idea of the number of veterans represented.

Colonel BAKER: I would say there would be in the neighborhood of 130,000, taking in the various disabled groups, the army, navy and air force veterans, and war pensioners' association—all the list.

Mr. THOMAS: Mr. Chairman, I just wanted to congratulate this association on the excellent form of this brief, in which they make their representations and very pertinent comments. I think it is an excellent job.

Colonel BAKER: Thank you.

Mr. HERRIDGE: Mr. Chairman, first of all I want to compliment the association for this brief, which has been presented in a very concise and excellent form; and I would like to compliment Colonel Lambert for its very excellent presentation.

I always thought that Colonel Lambert and I had an identity of interest, ever since he appeared before the committee in 1945, when he said that he was interested in widows.

Colonel LAMBERT: I still am.

Mr. HERRIDGE: I do want to suggest that in asking questions we deal with each recommendation in order, so the record reads well.

My first question is: Could Colonel Lambert tell the committee what reasons the department have given to your organization for not accepting this recommendation for using the words or phrase "war disability compensation" instead of the word "pension"?

Colonel LAMBERT: I think Frank should answer that.

Judge F. G. J. McDONAGH (*Deputy Chairman, National Council*): We have been trying for over 20 years to have the change made, and the answer we have always received from the department is that it would involve a considerable cost in printing, to change the word "pension" to "war disability compensation".

In presenting this resolution today we feel we are providing them if not with an "out", then with a suggestion that would not cost the country very much money. That is, in the interpretation section of the Pension Act, where the word "pension" is used, that in brackets should be put the phrase "war disability compensation," because after all, what the government pays to a man who suffered disability on active service by the enemy's action is an attempt on the part of Canada to pay compensation. It is not an attempt to

pay a pension, such as a service pension or superannuation pension. If those words were put in brackets in the interpretation section—"war disability compensation"—it should not cost the country very much.

Mr. MCINTOSH: Mr. Chairman, if you are going to take it clause by clause, on recommendation No. 3—

The CHAIRMAN: Before we come to that, is there any other question on recommendation No. 1? Any comments?

Mr. PUGH: Is there any estimate of what it would cost to make this change, the change in the wording?

The CHAIRMAN: Mr. Mutch, could you answer that?

Mr. L. A. MUTCH (*Deputy Chairman, Canadian Pension Commission*): I am sorry, I cannot answer the question. It has been discussed from time to time, as this representation has been made. But so far as I am aware, no attempt has been made to discover the actual cost. It would involve, or it has been thought it would involve, ultimately, the reprinting not only of our own legislation but certain other legislation—a re-enactment of it, really—where it refers to our legislation. I could not begin to give you an idea of the cost.

Mr. HERRIDGE: I would like to say I sympathize with this proposal because I know the connotation of the word "pension". Persons injured in industrial accidents get a "pension"; and these men have been injured in serving their country. Would it be possible to ask the government to change the title of the act to "Canadian Pension Act, War Compensation"—something that would indicate that it is compensation, without necessarily altering every word in the act and the related acts? I make that as a suggestion.

Would the deputy chairman of the Canadian Pension Commission go into that matter, and let us know about it at a later meeting? I know he is a very obliging person.

Mr. MUTCH: I would be glad to make known the committee's wishes. It is usual to attempt to determine what is involved. How best I could get that information for you, I have no idea. You will appreciate it might well involve amendment to a whole series of legislative acts. How fast it can be got, I do not know. I will make the inquiry, but when I can tell you, the answer I would not know.

Mr. HERRIDGE: Would you do that?

Mr. MUTCH: I would be very glad to.

Mr. HERRIDGE: And possibly, to give partial effect to this by an amendment to the title of the act?

Mr. MUTCH: The title of the act is simply the "Pension Act".

Mr. STEARNS: I am just wondering if the deputy minister could tell us how those words would translate into French. Will they change the meaning, supposing you change it to "war disability compensation"?

Mr. L. LALONDE (*Deputy Minister*): It might not be translated literally.

Mr. STEARNS: Would you keep the same word, "compensation"?

Mr. LALONDE: You could use the word "compensation".

Mr. CARTER: May I ask the deputy minister this question: in accepting this title "war disability compensation", would that involve any change of principle in the act?

Colonel BAKER: It is not supposed to.

Judge McDONAGH: It would establish a principle.

Colonel BAKER: Nail it to the masthead.

Mr. HERRIDGE: It would establish the purpose of the act in plain language.

Mr. CARTER: I was wondering if there was a different principle involved.

Mr. LALONDE: That is a question for the pension commission to answer.

Mr. MUTCH: Mr. Carter, clearly the purpose of the Pension Act, as it is called, is to provide compensation for disability, or death incurred in or arising out of service; and I do not see how a change in the title of the act could involve the principle, which is the motive force of the act. However, that is a layman's opinion, and you know what happens to it when you get before the law amendments committee.

Mr. FORTIN: I would just like to say, Mr. Chairman, that although I have very little experience in government matters, I can assure Mr. Lambert that I have never seen a brief so well prepared, and so well presented.

I personally do not think that the reason given for refusing recommendation No. 1 is sufficient.

I would like to ask the departmental official if there is any reason for having refused this recommendation in the past?

The CHAIRMAN: Apparently this recommendation has been before previous committees, and it has not been adopted.

I think Mr. Fortin would like to know if you have any knowledge of the reasons why it was not. I know that you have not been deputy chairman too long.

Mr. MUTCH: Mr. Chairman, I never like to interpret other people's actions, but speaking from the standpoint of the pension commission itself: our act covers not only pensions for disability or death incurred during active force service—actual combat service, but the act also provides for pension for the regular forces; and the argument has always been put forward, on those occasions when this committee considered it before, that it would involve much change and much difficulty with cross references. We might, in fact, have to separate, for this purpose, the Pension Act into two mutually complimentary acts. Those are some of the difficulties.

I do not recollect having heard anyone object to this recommendation on the principle that it would harm the beneficiaries under this act. It has always been rejected, in my recollection—and I speak for myself—because it is a difficult thing to do, one which would not accomplish any advantage to the veteran himself, other than in a sentimental way. But, please, this is not my defence against it; this is the sort of answer I have been given—and I know of no other.

If such a change were to be considered, the opportunity for it might occur at the next revision of the dominion statutes.

Judge McDONAGH: May I be of some assistance to the committee on this point. I do not have the letter with me, but the answer in regard to the government policy of the day was in a letter by Mr. Gregg, when he was Minister of Veterans Affairs back before 1950; and if it is of any assistance to the committee, in regard to the American pension legislation, there is a difference between service incurred disabilities, which are called compensation and pensions, for other conditions, under the American system.

Mr. PUGH: Cost is not the basis of the rejection.

The CHAIRMAN: Apparently not.

Mr. MUTCH: I do not recollect that anyone ever gave that as the reason.

Mr. BEECH: Mr. Chairman, I just wondered if there were any other reasons for wanting the change, except for the connotations? I know it is a serious problem. Many veterans, or people receiving pensions or assistance from the government, do want some differentiation because in the case of those who are getting war veterans allowance and those getting disability

pensions, the disability pensioners do not want to be associated with the chap getting war veterans allowance. There is a difference, and I think it is important to the veteran.

Mr. WEICHEL: If the war disability pension was brought in, it would show the veteran has served in some theatre of war, and is receiving a pension. It would put him in a distinct class separate from those receiving pensions from their employer in other forms of work.

The CHAIRMAN: Perhaps this is a matter which the committee may consider later.

Mr. CARTER: I am in sympathy with it. The reason I asked the question was because the question of cost did not seem to be a proper reason for this. If the Pension Act is going to be renewed next year there will be an opportunity to go into this matter further. Perhaps this committee should have a small committee to dig into this, before we make our recommendations.

Mr. HERRIDGE: Mr. Chairman, I suggest that we discuss this point further, when Mr. Mutch has assembled the information.

Colonel BAKER: May I make a comment?

The CHAIRMAN: Yes, please proceed.

Colonel BAKER: Well, gentlemen, we do feel that there is an implication in the term "pension" which has operated against the veteran—the disabled man, in years past.

Some of you are old enough to remember the experiences of the depression period. We have no guarantee that there may not be another. During the depression period, the man who was known to be on so-called pension, was let out of his job, and people, who were not even naturalized, were taken in on his job, because they felt if the disabled man, with a pension implication, was let out, that he would have to look to the federal government, whereas the local man, who did not have such a background, would be on local relief. That is one angle. That has been repeated many times down through the years—even to the point where a man, who is known to have some pension, even though it is only 10 or 20 per cent, it is assumed that the government will look after him, in case of need. He may not get as much consideration locally.

The CHAIRMAN: Do any other members of the delegation wish to make any remarks in connection with this recommendation? If not, I think we shall pass on to No. 2.

Mr. HERRIDGE: Mr. Chairman, this is a very important recommendation, and one upon which I would wish to comment.

I notice that Reverend Lambert said he was a member of the 50th battalion. I might mention that a very close personal friend of mine was Lieut. Hextall, the signals officer of that battalion. I want to refer to this portion of the comment:

Since Canada first had a Pension Act the amount of compensation awarded for 100 per cent disability has been related to the amount paid in the unskilled labour market.

I would ask the witness to elaborate on that point, because I know he has had a lot of experience on this.

Colonel BAKER: I can only say, Mr. Chairman, that whenever we have raised the question, that is the explanation we have had—that it was related to the common labour market. That is the only explanation we have ever had.

I know, in my own case, when I lost my sight, electrical engineering was my line. I came back in August, 1916, before the Canadian Pension Act was in force. In September of that year, the Canadian Pension Act was effective, and I was awarded \$75 a month. I raised a question as to whether there was

any provision for attendance allowance, with the then chairman of the committee in Ottawa, Mr. W. F. Nichol. I was told that no provision was being made. Therefore, I had to get out and dig for a job—and maybe it is just as well.

Mr. HERRIDGE: Do you make this recommendation, Colonel Baker, because you are of the opinion that the relationship between unskilled labour and the pension paid to single men is not the same as it was when the act was established—that the gap is wider?

Colonel BAKER: It does seem to me that that is the case. I am merely emphasizing the fact that the compensation to the professional or skilled labourer, who served in the war, and was disabled, is still on the basis of the unskilled labour market.

Rev. LAMBERT: I think this matter was discussed when the war amputees were here, with their brief. I was not with them, but I know you discussed it. We were asking for 33½ per cent raise. The difference between that basis and the amount of compensation for a labourer today was greater than 33½ per cent—it was much greater; and somebody suggested: why don't you ask for 50 per cent? Well, I will ask for 50 per cent today. I will ask for it, and then you can dissolve the committee. You can give us 50 per cent raise, and we will go home.

The CHAIRMAN: Are there any further questions?

Mr. MUTCH: Will you put that in writing?

Rev. LAMBERT: Yes.

Mr. HERRIDGE: You are asking for 50 per cent, in the hope of getting 33½ per cent.

The CHAIRMAN: That is not the usual way the veterans act.

Rev. LAMBERT: We really have high hopes. If this committee does not do it, I will tell you: God help you. Really, I am not saying that. I should say it to you—God help you, if you cannot give it to us.

But, we have a plan, mind you—and almost a political plan—the new veterans disabled political party of the world. There are two things involved: there should be proper compensation for all those in the world who have disabilities, friend and foe; and that there program should be that there should be no more disabilities—and that Canada immediately become a neutral nation—and there is a program for you. That is the world disabled veterans.

Mr. MCINTOSH: I would like to make a few remarks in regard to what the padre has just stated.

The CHAIRMAN: Proceed.

Mr. MCINTOSH: I think he is under the wrong impression—and he may give it to others—that this committee has not the power to give anything. All we can do is recommend.

My question concerns recommendation No. 3. I have in mind a veteran who is now, or who may in the future, be seeking to have his pension increased from the 50 per cent bracket to the 60 per cent or greater bracket. Has the national council considered that this may be a block or a bridge over which it may be difficult for such an individual to get over? Has the council given that consideration?

Judge McDONAGH: The point you raised, Mr. McIntosh, was not considered in the brief—and I am not just certain what you mean by the bridge from 50 per cent to 60 per cent—unless it is that there might be a difficulty, at a re-assessment, on the part of the pension commission. So far we still have faith in the pension commission in most things.

Mr. MCINTOSH: I understand that over 50 per cent or more it is difficult for individuals trying to get an increase in pension. It seems difficult in some cases to get over the 50 per cent. Would this be another stumbling block for those trying to get out of the 50 per cent bracket?

Judge McDONAGH: My brief answer is that we did not consider that. If we found that the situation existed then we would feel it our duty to bring it before the next parliamentary committee.

Mr. HERRIDGE: Would the witness inform the committee why he has chosen the figure of 60 per cent?

Judge McDONAGH: The answer is that if you examine the tables you would find there would be actually a decrease for the widows at 55 and 50 per cent on the death of their pensioner. On 60 per cent and up three would be an increase which would be received. We had to stop before we decreased the widow.

Mr. HERRIDGE: You stopped at the point where the decrease was low.

Judge McDONAGH: We stopped at the point we thought would be most helpful.

The CHAIRMAN: Are there any further questions?

We will pass on to recommendation 4. Are there any questions on recommendation 4?

Mr. HERRIDGE: This has been presented to the committee by a number of groups. Would you inform us when this first was presented and what information your association got from the government as to the reason for the continuation of the collection of these monies, which are relatively very small so far as income to the state is concerned, but are important to the individual.

Judge McDONAGH: Mr. Chairman, I believe when I was before the committee last year, or previously, I gave a history of how these sections were incorporated into the act in 1919. I think it is interesting to show the examples which were introduced in respect of the act in 1919. We gave two examples. One is the example of a soldier who is negligently run over by street car and loses a leg. The street car company is liable in damages and the country must also pay a pension. Before pension is paid, however, the soldier must assign his right to damages to the country. If more is collected by the country than the capitalized value of the pension, the soldier will receive the benefit; if less is collected the country will bear the loss.

The second example is this. A one-legged pensioner is employed in a factory. Owing to his disability he falls in a machine and loses a hand. Seeing that the loss of the hand is due to the disability for which he is pensioned he is also pensionable for the second disability. Under the Workmen's Compensation Act in various provinces he will also be entitled to compensation. Under this section he cannot receive both.

In 1941 the original section was repealed and the three sections, 20, 21 and 22 were substituted. I think the explanatory note which accompanied bill 17 should be read to this committee. It said:

These are entirely new sections and have been drafted after taking opinion from the Department of Justice that the section in its present form is unworkable and may possibly be *ultra vires*. Under the present drafting the new sections will accomplish all that was intended to be accomplished under the old section, namely, that the country should not be compelled to pay full pension in respect of disability or death when damages or compensation are recoverable from other sources in respect of such injury or death.

The army, navy and air force veterans association also think the present sections are *ultra vires* and are going to furnish an opinion.

For instance, subsection 3 of section 24 of the Pension Act provides that no pension shall be assigned, charged, or attached, and it is our opinion that the present interpretation of sections 20, 21 and 22 are contrary to the provisions of subsection 3 of section 24.

Some years ago as an illustration I gave the case of a man who suffered injury while he was not in uniform as a result of the negligence of somebody else. The case I illustrate was of a man who served with me in the Cyprus battalion in the first war. It was as a result of the negligence of another driver. There was a settlement, I think, of \$1,500. The \$1,500 was paid over to the receiver general for Canada and the widow received her pension of \$115.00. There was an allowance for the funeral, but it fell some \$300.00 or \$400.00 short of what the widow had to pay. She also had to pay the ambulance charges, and the doctor who went out to see her dead husband on the highway.

She had all these expenses; and when there was an application made to be reimbursed for these special damages, the pension commission, quite properly, said there is no power under the act to allow the widow the special damages. So out of her pension of \$115.00 she had to pay the excess cost for the funeral of her husband, who was killed because of the negligence of somebody else; and she also had to pay the ambulance and the doctor. This man had not been in uniform since 1919. He was a civilian, and if he had left \$100,000 insurance to her—which in this case he did not—the pension commission could not have questioned it at all; it would have been hers as of right.

She has a pension as of right, under the act, of \$115 a month; yet under these sections that pension is charged if she accepts a settlement. That is subsection (3) of section 24 of the act. I trust that history will be of some use.

Mr. HERRIDGE: Mr. Chairman, the witness' explanation is a clear indication that in this respect the law is an ass.

Mr. THOMAS: Mr. Chairman, I wonder if we might have a comment on that from the deputy chairman of the pension commission.

Mr. Mutch: This is clearly a matter of policy. As Judge McDonagh said, the provisions of the act, as the act now exists, are not challenged. He has not challenged the commission's interpretation of it. He was careful to say that under the act the commission did what it could. Whether or not the present legislation adequately meets the intent of the people of Canada in these circumstances is not for the pension commission, but for you gentlemen to decide.

We do have power of interpretation of our act, but we are not empowered to legislate by interpretation. So far as I know, our interpretation is not challenged; the challenge is as to the wording of the act itself.

Mr. THOMAS: I wonder if there is anyone here who can give us the reason why these sections were put into the act. I am fairly new in this work.

The CHAIRMAN: The explanation given by Judge McDonagh is very plain, I think, Mr. Thomas.

Judge McDONAGH: The explanation is contained in the *Hansard* of 1919, because I went over to the Osgoode Hall library and dug it up myself.

Mr. THOMAS: Thank you.

Mr. Mutch: Judge McDonagh's summary of it is complete, as far as I am aware.

Mr. PUGH: Could we obtain a copy of that, Mr. Chairman? Did you say it was a judgement, sir?

Judge McDONAGH: It is in *Hansard* of 1919.

Mr. PUGH: May we have the exact reference on that dug out?

Mr. HERRIDGE: It would be in the library, Mr. Chairman.

Mr. PUGH: I realize that, but I would like to have it on the record.

The CHAIRMAN: It is in the *Hansard* of 1919. You would have to find the page. I do not suppose the judge has the page number.

Judge McDONAGH: No; it is on file back in my chamber.

Mr. MUTCH: If it would be of any help, Mr. Chairman, I believe I can supply that information from the annotations on the original act. It will be in our library. I will be very happy to get that for you.

Mr. PUGH: That is what I want. I want it on the record.

Mr. MUTCH: I cannot give it to you now, but I will send it to the chairman to be included in the record.

Mr. McINTOSH: Mr. Chairman, I wonder if we could get a ruling from the Department of Justice as to whether these clauses are *ultra vires*, as the last speaker just mentioned? Perhaps we could get a ruling on it—a court case.

The CHAIRMAN: This is a matter of policy. We will put this on the record, but I think it is up to the department and the government to decide, and they will find out from the Minister of Justice. It is up to them to decide the policy.

Mr. McINTOSH: I am sure no committee would want to put something on the record that is *ultra vires*; and as that is the suggestion that has been made, let us find out if it is, or not.

The CHAIRMAN: What we are putting on the record is not *ultra vires*.

Mr. McINTOSH: No. I am talking about us as a committee, and I refer back to the previous committees.

Mr. STEARNS: As a matter of fact, Mr. Chairman, whether they are *ultra vires* or not, I think the main point is, are they necessary under the act? If they are not necessary, if they do not serve any useful purpose, cannot we recommend that they be taken out?

Mr. BEECH: Mr. Chairman, I wonder if we could get all this information and make this one of the matters we will discuss after we get the information?

Mr. MUTCH: It might be helpful, Mr. Chairman, to draw the committee's attention to subsection (5) of section 5 of the act. A reference was made, referring to the interpretation of the act, to court actions.

Subsection (5) of section 5 says:

The commission shall determine any question of interpretation of this act and the decision of the commission on any such question is final, so that it is not subject to interpretation, in its present form, through the ordinary courts.

Mr. McINTOSH: Yes, but the commission cannot make a final decision on something, if it is in the act and is wrong: that is the point I am trying to get at. If it contravenes a previous section, then it is wrong.

Mr. HERRIDGE: Mr. Chairman, may we not get all the information assembled for the committee, and we can consider it when we have all the information?

The CHAIRMAN: That is what I hoped.

Mr. PUGH: I have had one case analogous to the one quoted by the judge. It was within the last four years, in my own riding. There were precisely the same circumstances; a death, the widow then claimed, received a settlement, and all that had to be turned over to the pension commission.

With regard to other expenses, such as doctor, ambulance, at the time of the death, she did not receive anything for those at all.

My question is this: Could we have put on the record the number of cases such as this which have occurred, by year, in the last, say, five years?

Mr. MUTCH: Offhand, I do not know whether or not it would be possible to get a list of the cases for the last five years. I think that if I could have a few days, I might get that.

Mr. PUGH: It is just for the record; and we can discuss it.

Mr. CARTER: Mr. Chairman, I am not quite clear about what Mr. Pugh is requesting. I am going to ask the deputy chairman if it would be possible for him at another sitting to supply us with—or, to supply the chairman with—the amounts that the pension commission has collected over, say a five year period.

Mr. MUTCH: I believe that was tabled last year, Mr. Carter. But it is available. I am told I am in error. We made some attempt to do it, but I am told that it was not tabled because the information was not complete.

Mr. CARTER: Can you bring it up to date now?

Mr. MUTCH: I am informed that it might be possible. The figures we had originally were the total damages, which did not take into consideration the adjustments. For a limited period of five years, I believe it will be possible to get that information; but, Mr. Carter, it may take a little time.

The CHAIRMAN: Are there any further questions on recommendation 4? If not, gentlemen, we will pass on to recommendation No. 5.

Mr. PUGH: Mr. Chairman, just before we leave that point, I have this question. I know that the pension commission has not the authority, but has the commission done anything with regard to these expenses? Supposing the widow has not enough to pay it herself: would they have it paid for out of her pension of \$115?

Mr. MUTCH: I am sorry; I did not get the point of your question.

Mr. PUGH: I am talking about the expenses occasioned at the time of death, in the case of an accident, under recommendation 4. The pensioner dies; a claim is made; the money is turned over to the pension commission. The widow is left with the expenses, doctor, possibly hospital, drugs, ambulance, and anything else at the time. She has no funds other than her pension. Does the pension commission make any payment, or any effort to help her in that regard?

Mr. MUTCH: We may only pay within the statutory limitations, even though it is only a fraction of the actual expense.

The CHAIRMAN: Are there any questions under recommendation 5, gentlemen?

Mr. HERRIDGE: Yes, Mr. Chairman. This is a question which has been discussed by the committee on a number of occasions when organizations were making representations. I know that the reason for the recommendation becomes more acute as the years go by.

Would the witness just explain in a little more detail what they have in mind, and give some illustrations from experience, if he can?

Judge McDONAGH: Mr. Chairman, with the permission of yourself and the committee, we have had copies made of an extract from a decision of the commission of June 3, 1957.

The name of the applicant is not mentioned, although the names of the doctors are left in, so that their standing may be shown. These are for distribution, if you agree to that, Mr. Chairman. The name of the applicant is not in the extract.

I have the original decision with me and will give the chairman the names of the members of the commission, if you wish; but not for the record, as I understand it is not the policy of the committee to have individual names.

The CHAIRMAN: No, I do not think we should; but I think I should have the permission of the committee. What is the decision of the committee as to whether these extracts should be distributed and made part of the record?

I would like to know what Mr. Mutch, the deputy chairman, feels about this.

Mr. MUTCH: I have no feeling, Mr. Chairman; I do not know what it is. It has not been the practice of this committee to identify individual cases, other than to illustrate a principle. On that there has never been any quarrel, in my experience.

Mr. HERRIDGE: I will move, Mr. Chairman, that this document be included in the minutes of proceedings, without identification of the person concerned and as an illustration of a principle which the witness wishes to elucidate before the committee.

Judge McDONAGH: I will read it, Mr. Chairman. We purposely left the name out.

Mr. THOMAS: Mr. Chairman, how can we vote intelligently on this motion by Mr. Herridge until we have seen the document and know what is in it?

Mr. HERRIDGE: We have done this in years past, to illustrate a point, as long as there is no identification of the applicant.

The CHAIRMAN: Supposing these are distributed first and each member given a chance to see the document? In the meantime we will just take a standing recess.

(A short time later)

The CHAIRMAN: Will you come to order now, gentlemen. Has anybody any objection to this procedure being adopted? As far as I can see, there is no name of the applicant in this document. Judge McDonagh proposes to read it. I see no reason myself why it should not be read and become part of the record. If anyone has any objection, I would like to hear it now. If not, then I think I will give Mr. Herridge an opportunity to decide whether he wants to go on with his motion, or not.

Mr. HERRIDGE: No, Mr. Chairman. I moved my motion, not knowing the witness was going to read it into the record. My motion is entirely unnecessary now, and I withdraw it.

Th CHAIRMAN: Thank you very much.

Judge McDONAGH: Mr. Chairman, this is an extract from a decision of an appeal board of the pension commission, dated June 3, 1957:

Dr. G. F. Homer, chief of surgery, Victoria veterans hospital, testified before the board and confirmed his statement as contained in exhibits 24 and 29. He stated in part: "I believe the question arises whether his pensionable condition may have been a factor in his demise. Certainly his extreme kyphosis made the operation difficult and there was very little space between his lower ribs and his symphysis pubis. In the second place pneumonia was a complication and with the fixity of his chest this, too, may have been a considered factor." On being further interrogated by Mr. Harvey Q.C., he explained in detail how the condition of ascending spondylitis (Marie Strumpell's disease) could affect the technical operation and contribute to post-operative complications, and he considered that this condition definitely did contribute to the veteran's death. On being specifically asked, "Had not the pensionable condition prevailed, would the operation have been successful?", the doctor replied that he could not answer this question and that he did not consider any surgeon could.

Dr. Homer had performed gastro-enterostomy on November 1, 1955, and stated that he had considered the difficulties that might arise from the pensionable condition.

Dr. G. B. Bigelow, general practitioner and anesthetist, testified before the board and confirmed his statements as contained in exhibit 31 and also clinical report as contained in exhibit 26A. He corroborated in detail the opinions expressed by Dr. Homer.

Dr. A. W. Perry, F.R.C.P., internist, testified before the board and confirmed his opinion as expressed in exhibit 30, in which he stated in part: "I felt that this death was due to an infection from a leaking duodenal stump and from a bowel infection and also acute pulmonary congestion. His arthritis which limited the movement of his lungs I felt was an important factor in the development of the lung congestion under conditions of stress and therefore I think is related to his death." Dr. Perry saw the late in consultation with Doctors Homer and Bigelow some 24 hours prior to his death.

The doctor further stated that he agreed that the arthritic condition produced a technical difficulty in operational procedure.

The board has noted a resume of the autopsy report as contained in a communication from Dr. J. L. Murray Anderson, showing the cause of death to have been focal peritonitis resulting from a leaking duodenal stump following a gastro-enterostomy with other conditions of pulmonary oedema, pulmonary congestion, basal, kyphosis, marked (Marie Strumpell) being mentioned. The board has further noted that the expert testimony adduced and contained in medical reports indicates that the pensionable condition may possibly have contributed to this veteran's death.

After a most careful and sympathetic analysis, however, of all the circumstances attendant upon death, this board can only conclude that whereas the pensionable condition may have contributed to this veteran's death, the fact remains the immediate cause of death was from focal peritonitis following a gastro-enterostomy and the contributory factors cannot be considered material in this case. Mr. Harvey submitted that the medical evidence established that the pensionable condition contributed materially to death, and further pointed out that although in his opinion there was no doubt of this, should any doubt exist in the minds of the board it should be resolved in favour of the applicant.

The board, after carefully reviewing the entire evidence, concludes that although the possibility exists that the pensionable condition may have influenced the disease processes leading to death, the probability of such has not been sufficiently established to bring this case within the provisions of section 70.

It is our opinion that, looking at the words "possibility" and "probability" and "benefit of the doubt" as set out in dictionaries, there was never a clearer case in which the provisions of section 70 should have been exercised.

Mr. HERRIDGE: An excellent illustration.

The CHAIRMAN: Mr. Mutch, would you care to comment on this? I think this interpretation is a matter of discretion, is it not? Would you care to make any comment, or not?

Mr. MUTCH: Mr. Chairman, I do not know whether I can add anything to the answers I have got for years, or that I have been giving for years. Section 70 is very specific. It says, in conclusion:

... all reasonable inferences and presumptions in favour of the applicant.

That is, the appeal board shall draw all reasonable inferences and presumptions in favour of the applicant. The important word in section 70 is the word "reasonable". An appeal board consists of three commissioners who are named to hear the case. Their decision is not reviewable by the commission itself or by any other body. They are the court of last resort. That is the first difficulty that I run into in commenting on this.

There is a provision in the act that, if there is new evidence which was not previously obtainable before an appeal board, the applicant can seek leave to re-open; and if leave to re-open is granted, all that happens is that the appeal board decision is set aside and the case is heard from the beginning, through the procedural sections, on the basis of the now new evidence, and the old.

Neither the chairman, nor myself, or the commission as a whole has any power to review, or even comment on the decisions of an appeal board; and it is particularly difficult for my chairman, myself, or any other member of the commission who did not sit on an appeal board to determine what was in the minds of those gentlemen who acted when it happened.

The act is specific. As I said, the act says:

...shall draw... all reasonable inferences and presumptions in favour of the applicant.

That means that it is not necessary for the applicant to prove his case to the hilt; but it does place the responsibility squarely on the judge—in this case, the members of the appeal board—to determine in their own minds, after having heard all the evidence, whether or not the doubt which is expressed by the evidence is such that it will permit them to draw a reasonable inference in favour of the applicant.

I think no one will ever be able to interpret anybody else's mind, and under the present set-up no one in the commission has the power to say that they are wrong, or even to review that decision. I can tell you that under the "benefit of the doubt" section most of the new entitlement cases for World War I are now approved—favourable decisions, that is, because, as was pointed out today, the recruits were not as young in World War I as in World War II. Still we are granting new entitlements every year; and in the great majority of them it was because the man appeared before three of my colleagues where they listened to him and believed him; and in the absence of evidence they said it is a reasonable inference that this man is telling the truth.

To a lesser degree it does happen in World War II. And now anyone can seek—either a parliamentary committee, or the chairman, or anyone else—either to justify or to condemn a process which takes place in the mind of an individual man as in this case, I do not know.

Mr. WEICHEL: After reading the extract from the decision on appeal, from the board of pension commissioners I feel that this recommendation No. 5 is probably one of the most important in the brief, because, after all, it could concern many veterans at some time in future years.

Mr. MCINTOSH: I wonder if Mr. Mutch would elaborate a little more on his explanation. He stated first that the appeal board decision was final, then he made an exception, if new evidence were produced.

Mr. MUTCH: Sec. 65-(4) of the act makes provision for reconsideration in the case of error.

Mr. MCINTOSH: You stated that the appeal board decision was final. Is that not correct?

Mr. MUTCH: Oh yes, it is final.

Mr. MCINTOSH: But if new evidence is adduced, it can be reopened?

Mr. MUTCH: If error can be established by reason of evidence not being brought forward or otherwise, that is an exception, and then the chairman must name a special appeal board of the commission, not to review the decision of the original appeal board, but to determine whether or not the new evidence now available would justify the setting aside of the former decision, and a hearing of the case *de novo*.

Mr. MCINTOSH: Would the new board set up then hear the case all over again?

Mr. MUTCH: If the man makes application for leave to re-open on the basis provided in 65-4 which I just quoted to you, by reason of evidence not having been produced or otherwise, then the chairman will name a special board to hear argument as to why the former decision should be set aside.

Mr. MCINTOSH: Why do you worry about what was in the mind of the previous gentlemen, because they gave a decision which did not meet your view?

Mr. MUTCH: The act is specific that a case cannot be re-opened without reconsideration. We do not decide that the first appeal board gave a wrong decision. We do not comment on the decision of the original appeal board at all. What we do in the case of granting leave to reopen is this: we say that there is new evidence available which, if it had been available at the time the applicant presented his original case, there might have been another decision. We do not say that the first decision was wrong. We say that it shall be set aside and that this man's case shall come back into the procedural stream and on the basis of information now available, and that his case will be heard again. The act gives us the power, otherwise there would be no way to avoid the perpetuation of error.

Mr. MCINTOSH: That is right. Did you not say that there were cases still from World War I being dealt with, or if there had been an adverse decision to the applicant, they did not deal with them?

Mr. MUTCH: No, if I said that I did not mean to say it. In respect to World War I the only reference was to section 70, and I said that in most initial entitlements now most entitlement was given under the interpretation under section 70. World War I cases are dealt with exactly on the same basis as any other cases, when it comes to an appeal board decision or an application for leave to reopen. I hope I made it clear to you.

Mr. SPEAKMAN: May I just ask this question: are there on these appeal boards, in every case, members of the medical profession, or is medical advice sought, or eminent medical advice sought?

Mr. MUTCH: The normal practice of the commission is to constitute the appeal board to comprise one doctor, one lawyer, and one non-professional person.

Mr. SPEAKMAN: Would the medical man be eminent in his field?

Mr. MUTCH: He does not sit as a medical man. He sits as a commissioner. And the appeal board has the right, which they exercise frequently, having heard a case and not being satisfied with the medical evidence, to refer the documents to any eminent authority, and to ask for a written opinion, from such leading authority; and they do not conclude their hearing until they have had that opinion. If presented with an opinion, the advocate who represents the applicant, or the applicant through his attorney, if you like to call him that, certifies that he is ready now to conclude his case.

Mr. CARTER: I am very much in support of this recommendation, as Mr. Mutch may appreciate.

Mr. MUTCH: At least I know it.

Mr. CARTER: Mr. Mutch read from the act something about reasonable, and I did not quite get it.

Mr. MUTCH: Section 70 of the Pension Act reads as follows:

Notwithstanding anything in this act, on any application for pension the applicant is entitled to the benefit of the doubt, which means that it is not necessary for him to adduce conclusive proof of his right to the pension applied for, but the body adjudicating on the claim shall draw from all the circumstances of the case, the evidence adduced and medical opinions, all reasonable inferences and presumptions in favour of the applicant.

I would like now to go back to section 5, subsection 5, which I mentioned a little while ago, and which reads as follows:

The commission shall determine any question of interpretation of this act and the decision of the commission on any such question is final.

Argument about this section has gone on for a long time, and I presume it hinges on someone challenging the commission's interpretation of what is reasonable.

Now, with respect to Judge McDonagh, and to you, Mr. Carter, or to anyone else who advances opinions about this, I know of no way in which one can look into another man's mind.

These "jurists", or these commissioners are sworn to interpret and to carry the Act out to the best of their ability. I have no power under the act, to say that they did not draw a reasonable inference.

Mr. CARTER: The tragedy of this act is that you have three men who are not picked expressly because they are outstanding in their special fields.

Mr. MUTCH: I would not say that.

Mr. CARTER: Well, they are average people, and they sit on a case and they draw certain inferences which to them appear reasonable; but to other people equally eminent they may appear to be unreasonable. Yet because these three people under the act have the power, there is no appeal from their unreasonableness. In other words, you cannot challenge their judgment and their reasonableness.

Mr. MUTCH: That is true, but I think differently, and I am now going to give you a personal opinion. I think the difference in the case you cite is on the one hand that you have men with sworn responsibility to discharge their obligation under the act, while those who challenge their opinions are not affected by that same responsibility.

Human beings being what they are, I suppose people are influenced by their doings or feelings. I know they are influenced by their feelings, whether they be judges or whatever they are; but there is the section, gentlemen, and that is the end of it.

I have a longer association I think with this pension commission than any of you, and I never cease to be amazed at the extent to which people drawn, as you see, from various walks of life, but with different reasons for being there, consistently and humanely take a humanitarian approach to the objective of service.

Mr. PUGH: I would take it also that the pension commission would bend over backwards to see that veterans would be dealt with fairly?

Mr. MUTCH: Yes, subject to the provisions of the act, we always bend over backwards. You see, there is counsel provided for the applicant, but there is no counsel for the crown, for the commissioners, or for the appeal board at all. They have their power from the act, and their responsibility under the act.

I venture to say without hesitation that of every commissioners that I have known, his feelings have been secondary to the knowledge that his responsibility was first to the man in front of him who was the applicant. If this were not so, I do not think that the provisions of section 70, as it is currently framed in this act, ever could mean much.

The CHAIRMAN: Our time is about up, and I do not think this is the time to start an argument or to make a speech about it. We can consider it later on.

I think the deputy Chairman of the Commission has given us a very clear explanation as to how they try to operate.

We have one more recommendation to consider and we only have five minutes left. Mr. Beech would like to ask a question, and then Mr. Winkler. But please just ask your questions and do not express your opinions.

Mr. CARTER: Mr. Mutch just made a statement that the commission bent over backwards. Can any reasonable person here say that they bent over backwards in this case? I challenge Mr. Mutch's statement on that.

The CHAIRMAN: I do not want any argument.

Mr. BEECH: There is no appeal from this appeal court. I think we should get more information and discuss it later in the committee after the delegation has gone.

Mr. WINKLER: My question was on the same subject. I have had many sad experiences with this. It would seem to me from my experience, which has been very similar to the case brought up to day, that the only way to overcome the thing is, in the case of an adjudicator appearing for a second time, is to make them swear to be more reasonable.

The CHAIRMAN: Is there any question concerning recommendation No. 6?

Mr. HERRIDGE: Would the witness explain briefly or give an illustration of the reason for advancing this recommendation? I take it that they are usually advanced as the result of experience. So could the witness give us an illustration from the experience of the officers of the various organizations to show what causes them to advance this recommendation? It would be very helpful to the committee.

Mr. KEITH BUTLER (*War Amputations of Canada*): I do recall that at our convention in 1949 at Winnipeg a case came up concerning a chap who was totally blind. He was in his home and he had had some carpentry work done when some of the tables and chairs had been moved around. He fell over one of the articles which had been moved, and thereby injured himself. Nevertheless he was denied hospitalization because they said there was no connection between his blindness and his falling over the chair or table or whatever it was. That was a concrete example.

It was immediately reversed by some of the officials at the convention, but the original decision of the local hospital was that there was no right to hospitalization because there was no connection between his falling over a thing and his being blind. That is the type of thing we are interested in, consequential disability.

Generally speaking I think the administration is fair, but it is very difficult to prove what constitutes consequential disability.

If I have one leg missing, and the other one goes bad, it is difficult to say that it would not have gone bad if I had not had a leg missing. And it is almost impossible to prove. That is why I feel that we should have free hospitalization for all conditions, because so many of them can be so easily related to what we might say are pensionable disabilities such as a bad back, and many, many things. However it is very difficult to say that there is any connection between what we have now, and what might happen later on.

Mr. W. DIES (*Sir Arthur Pearson Association, War Blinded*): I am responsible to some extent for this, coming back to the brief. Recently I had two or three minor operations and it cost me a lot of money, because they were not related to my disability. I have to wear an artificial arm, and I suffer from terrific head noises and everything that goes with it. And I have quite a lot of shrapnel above my shoulders. What does a fellow have to do before the government will give him hospitalization for any condition?

Last year I mentioned here that I could not get free hospitalization for hernia, a very bad hernia. So what did I do? I went down to Shouldice and when I was ready to go out and pay my bill, he said: "Oh no, we do not charge blind people". When I was ready to come out and went to pay my bill he said, "We do not charge blind people, much less blind ex-service men for our operations." So down there they are very charitable. They consider my war service, so I get an operation.

It is very true that under the hospitalization which I pay the Ontario government it is partly for me and partly for my wife, but this does not alter the fact that this old crock who you see in front of you here must pay for anything which is not part of his disability. I will never die with an arm off. I doubt if I will ever die with two eyes out. But I could die with a heart condition or I might develop a kidney condition. Also my bladder is not so hot. I am being personal about this thing. I think very strongly that the government should give free hospitalization to W. C. Dies in every respect. I would like to get that on the record in case I may not be here at a later date. I definitely think these cases, 1 to 11, should be given consideration and should be given hospitalization regardless of their condition.

Thank you.

Mr. PUGH: I notice this document which has been put in by the judge is entitled an extract. How full was the decision this was taken from?

Judge McDONAGH: There was only one paragraph left out, which referred to the evidence of the widow and her statement. The means of the commissioners are not there. I have the original decision which was issued, if you would like the chairman to see it.

Mr. PUGH: I think we should have it on the record.

The CHAIRMAN: No.

Mr. PUGH: Of course not—I am sorry. Is the adjudication word for word with the actual.

Judge McDONAGH: Yes.

The CHAIRMAN: Gentlemen, our time is up. There is a photographer outside. These gentlemen here would like to have a picture taken of the committee.

I wish to thank Colonel Baker, the Reverend Mr. Lambert and the delegation who have been before us today. It has been a very interesting meeting and the points have been made quite clear. The committee will likely spend some time considering this, but the main thing is that it will be on the record when we reach the revision of the act.

Colonel BAKER: Mr. Chairman and gentlemen, we very much appreciate the attention you have given us today. I hope we have made our points as clear as possible.

There are, however, two points which I would like to mention in passing. It has just been brought to my attention that there was a report from the Canadian pension commission to this committee presented recently, I think, by the chairman of the commission.

Mr. HERRIDGE: That was at the last meeting.

Colonel BAKER: In that there were two points which stood out in my mind. The first is that there were 51,000 cases processed during the past year by the commission. I am beginning to wonder whether that load can be handled expeditiously by and with as much consideration as necessary by the presently over-worked members of the commission, and whether or not consideration should be given to increasing the number of members on the commission in order to handle these cases and give them full consideration.

Another point in that submission is, in speaking of the comparison between unskilled labour and pensioners, there was a mention of 100 per cent disability compensation plus wives and children's allowances, plus attendance allowance. I wish to draw your attention to the fact that I would consider that substantially less than 1 per cent of the war pensioners in Canada draw helplessness allowance or dependents allowance, for blindness, serious amputations, paraplegics, and so on.

We have not had time to study the whole report, but those two observations stood out in my mind.

Thank you very much for your kind consideration and attention to our brief which has been presented today.

Mr. WEICHEL: May I say, as an amp myself that it is my privilege to know these gentlemen and I have never had an opportunity to express my sincere thanks to them for the work they have done for the disabled veterans. I thank them very much for all their efforts and all they have accomplished.

Rev. Mr. LAMBERT: We appreciate that very much from Mr. Weichel.

There is the other question—the widows. We do not stand only for the disabled but also for their next of kin and their children. If you do nothing more than make the recommendation for the increase for them, then we will be glad we have come here.

The committee adjourned.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

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UNIVERSITY OF TORONTO

STANDING COMMITTEE

ON

VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 8

THURSDAY, MAY 12, 1960

ESTIMATES OF THE DEPARTMENT OF VETERANS AFFAIRS 1960-1961

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs; Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board; Mr. G. L. Mann, Chief, Special Services Division, Veterans Welfare Services; Mr. C. N. Knight, Chief, General Services Division, Veterans Welfare Services; and Mr. R. Bonnar, Assistant Departmental Secretary.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler
Fortin	Ormiston	

*J. E. O'Connor,
Clerk of the Committee.*

MINUTES OF PROCEEDINGS

THURSDAY, May 12, 1960
(9)

The Standing Committee on Veterans Affairs met at 11.05 a.m. this day. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Batten, Benidickson, Broome, Carter, Dinsdale, Fane, Forgie, Herridge, Kennedy, Lennard, Macdonald (*Kings*), MacRae, Matthews, McIntosh, McWilliam, Montgomery, Rogers, O'Leary, Parizeau, Pugh, Speakman, Stewart, Webster, Weichel and Winkler.—(25)

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. F. T. Mace, Assistant Deputy Minister; Mr. C. N. Knight, Chief, General Services Division, Veterans Welfare Services; Mr. G. L. Mann, Chief, Special Services Division, Veterans Welfare Services; Mr. G. S. Way, Chief Information Services; Mr. J. E. Walsh, Director, Finance, Purchasing and Stores; Mr. J. G. Bowland, Research Adviser; Mr. R. W. Pawley, Director, Veterans Land Act; Mr. A. D. McCracken, Senior Administrative Officer, Veterans Land Act; Mr. C. F. Black, Departmental Secretary; Mr. R. Bonnar, Assistant Departmental Secretary; and Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board.

The Chairman tabled answers to questions asked at a previous meeting of the Committee and obtained agreement for their printing as appendices to the record of this day's proceedings.

A report from the Subcommittee on Agenda and Procedure was read and discussed.

Mr. Weichel moved, seconded by Mr. Rogers: That the Committee visit veterans' hospitals within the Province of Quebec, whereupon Mr. Herridge moved in amendment, seconded by Mr. Dinsdale: That on this occasion, only veterans' hospitals in the Montreal area be visited. The motion as amended was adopted: YEAS: 16; NAYS: 1.

Agreed,—That the Committee travel to and from Montreal by train.

Agreed,—That the Subcommittee on Agenda and Procedure choose the date and time for such a visit.

The Chairman called Item 465—War Veterans Allowance Board—Administration—and distributed copies of a brief from the Canadian Corps Association to members of the Committee.

Agreed,—That a copy of the brief be printed as an appendix to the record of this day's proceedings.

Mr. Garneau was introduced and read a statement concerning the work of the War Veterans Allowance Board.

Following the questioning of Messrs. Garneau, Lalonde and Mann, Item 465 was adopted.

Item 466—War Veterans Allowances—was called and Messrs. Lalonde and Garneau were questioned.

Item 466 was adopted.

On Item 467—Assistance Fund (War Veterans Allowances), Messrs. Lalonde and Knight were questioned.

Item 467 was adopted.

Item 469—Burials and Memorials—was called and evidence was heard from Mr. Bonnar.

Item 469 was adopted.

Item 470—Grant to Army Benevolent Fund—was allowed to stand.

Items 471 and 495 were separately called, and following Mr. Lalonde's questioning, were adopted.

At 12.35 p.m. the Committee adjourned to meet again on Thursday, May 19, 1960.

J. E. O'Connor,
Clerk of the Committee.

EVIDENCE

THURSDAY, May 12, 1960.
11:00 a.m.

The CHAIRMAN: Gentlemen, please come to order. We have a quorum. I have a few statements here which I would like to deal with before we proceed with the estimates.

At the last meeting you may remember the recommendation of the national council of veterans associations of Canada which recommended a change of name from pension, to war disability compensation.

There was some question about what it would cost to change this name and so on—and the chairman of the pension commission—the pension commission has sent me a letter and an indication of how many acts would have to be changed. There are four such statements in connection with the question raised last week.

Rather than to take up time to read those statements now, would it be agreeable to the committee to have each one of those statements—one has to do with the number of acts to be changed, and another has to do with section 19 that was referred to; in fact, there are two on that; and there is another brief or statement which indicates what is behind the reason for sections 20, 21 and 22, as to why a widow cannot get damages, and the pension.

Mr. Pugh asked a question—and Mr. Carter too. I think both of them wanted to know how much in the last five years the government had collected by way of damage claims. Would it be agreeable to have these statements all printed as an appendix to today's minutes? Then you could read them at your leisure.

Mr. HERRIDGE: We could peruse them in our monastic cells at our leisure.

Mr. SPEAKMAN: I so move.

Mr. McWILLIAM: I second the motion.

The CHAIRMAN: It has been moved by Mr. Speakman and seconded by Mr. McWilliam that these statements be added to today's minutes as appendices.

Agreed.

Now there is one other matter. Members of the steering committee met at the close of the last meeting and considered two questions that were before us. One was as to whether we should invite Mr. Chadderton, the national secretary of the army benevolent fund to answer questions that any member wished to ask. They decided that we should invite him to be here today. But I am now told that he is sick in hospital and cannot be here. So if there are any questions, when we come to this benevolent fund item—if there are any questions which cannot be answered satisfactorily, we could stand it and maybe have him come next week. But it may be that any questions which arise can be answered.

The second matter was consideration to visit a veterans hospital. The recommendation of the steering committee is as follows: that consideration be given by the committee to visit veterans hospitals in the Montreal area, if, as and when arrangements can be made.

I think on this last recommendation we should have a motion either accepting or turning it down, or making an alternative proposal, if you do not want to go to the Montreal area.

Mr. WEICHEL: I move that we go to Montreal.

The CHAIRMAN: It has been moved by Mr. Weichel.

Mr. ROGERS: I second the motion.

The CHAIRMAN: And seconded by Mr. Rogers, that we go to the veterans hospitals in the Montreal area. That would be the Queen Mary and the St. Anne's. Are you ready for the question?

Mr. HERRIDGE: Perhaps I should say that the steering committee gave serious consideration to this, and heard recent information as to the developments in certain hospitals, and of the need for expansion, or the need for development in the Montreal area. They unanimously recommended to the committee that we visit Montreal. I think there we could see more with the least expenditure of time and, of course, of our own money.

Mr. McINTOSH: I am a member of the steering committee, but I was not at the meeting.

The CHAIRMAN: I announced it twice at the regular meeting last week, and I think you were here when I first announced it.

Mr. McINTOSH: I do not blame you. I blame myself.

The CHAIRMAN: I am sorry.

Mr. McINTOSH: As far as the unanimous part of the decision, I was on the steering committee, and when I just heard of the visit to hospitals I felt possibly it would be better for us to see an up-to-date hospital, rather than to see one we know does need a lot of expenditure made on it; and to see what the plans of your officials are, and what the results of some of those plans may be, rather than to see one that we do know needs it. So I suggest that consideration be given to visiting Quebec City rather than Montreal, because I understand they have a very fine hospital in Quebec City. We could see what they are doing for the veterans, and what the plans of the officials are.

Mr. CARTER: Is this schedule for a Saturday, this visit? It may have a time factor if we went further than Montreal.

The CHAIRMAN: Maybe the deputy could explain whether Saturday would be a good day, if we went to Montreal or Quebec.

Mr. L. LALONDE (*Deputy Minister, Department of Veterans Affairs*): I think to visit a hospital on a Saturday would be a bad day anyway, because you would not meet the consultants. As far as the department is concerned we are ready to make arrangements for the committee to go and visit any hospital. It all depends on how much time the members want to spend and where they wish to go.

Mr. WEICHEL: My motion was that we go to one in Quebec province. I did not state any particular one.

The CHAIRMAN: I thought you said the Montreal area.

Mr. WEICHEL: No, I meant Quebec province.

Mr. HERRIDGE: Mr. Chairman, that does not resolve the issue. The issue is, the recommendation of the committee is to go to Montreal.

The CHAIRMAN: Its recommendation was to go to hospitals in the Montreal area. I understand that was your motion, Mr. Weichel.

Mr. WEICHEL: I meant to say in Quebec province, any one that is chosen in Quebec province.

Mr. ROGERS: Mr. Chairman, what is the time factor in going to Quebec city?

Mr. KENNEDY: A three-hour flight.

Mr. ROGERS: Just a minute—

The CHAIRMAN: Please address the Chair.

Mr. ROGERS: I did address the Chair. What is the time factor between going to Quebec city and Montreal?

The CHAIRMAN: In going to Montreal we can travel by train, leaving in the morning and be back that night. Going to Quebec city I cannot answer.

Mr. LALONDE: You would have to fly to do it in one day, Mr. Chairman.

The CHAIRMAN: You would have to fly.

Mr. WINKLER: I am prepared to accept the recommendation of the steering committee. If at a future date we find it necessary, it is possible we can make arrangements to visit another hospital; but I think we should be prepared to accept the recommendation of the steering committee.

Mr. WEBSTER: I am not biased at all, having come from Montreal, but is there not more to be seen in Montreal, such as the Queen Mary, Saint Anne's, and Senneville, than there would be in Quebec? My understanding is that it is just a hospital.

Mr. LALONDE: There is certainly more to be seen in Montreal from the point of view of volume.

Mr. WEBSTER: I meant from the hospital end, from the Department of Veterans Affairs end.

Mr. HERRIDGE: We presumed that.

Mr. LALONDE: We have nearly 2,000 patients in Montreal and only about 250 in Quebec. The Quebec hospital is a brand new one. Both hospitals in the Montreal area are old hospitals.

Mr. MCINTOSH: Mr. Chairman, if I may speak again, we hear a lot of criticism by veterans who are in these older hospitals. They bore them, and we realize that. We want to see what the department is doing when they do build a modern hospital, to see if we are satisfied that that is what the veterans desire. We know that the Montreal hospitals are old, and I do not see what advantages there would be in seeing them.

Mr. MATTHEWS: Mr. Chairman, I would like or I think maybe it would help if the deputy minister could suggest which would be the best. Could he do that?

The CHAIRMAN: I do not think he wants to.

Mr. FORGIE: Mr. Chairman, will you explain the discussion that took place at the steering committee, so that that will clear the picture as far as the members are concerned? We decided to go to Montreal for definite reasons, and I think probably if you enunciate those to the committee it will be clear.

The CHAIRMAN: Well, at the request of Mr. Forgie the steering committee decided to present its recommendation in those terms because they felt they could do it in one day, it would be less expensive and that they would see hospitals that needed—and I think this was the important thing—they would see two hospitals that need a great deal of money spent on them, or new hospitals to replace them. I think that is what influenced the steering committee to bring in this suggestion.

Mr. HERRIDGE: Mr. Chairman, Mr. Weichel moved a motion that the committee visit a hospital in Quebec.

Mr. STEWART: Quebec province.

Mr. HERRIDGE: Yes, and I move that on this occasion we visit Montreal.

The CHAIRMAN: I am afraid the amendment destroys the original motion.

Mr. HERRIDGE: No, he said the province of Quebec. I have merely pinpointed the place. It would be supplementary to the motion.

The CHAIRMAN: Ready for the question on the amendment, that we visit the hospitals in the Montreal area? There are two hospitals there. Does anybody want to raise any questions on the amendment? Those in favour of the amendment, please raise your hands?

Those against the amendment please raise your hands.

The amendment is carried.

Mr. HERRIDGE: Mr. Chairman, could I say, to assuage any fears that Mr. McIntosh may have had, that opposition members possibly attending would want to criticize the department because the hospitals are old, that he is entirely unjustified in holding that opinion. I want to support the government in building the new ones.

The CHAIRMAN: As I got Mr. McIntosh's argument, it was that he would like to be in a position to make recommendations to the government if he was going to do anything to improve on the past.

Mr. WEBSTER: Is not Sunnybrook in Toronto considered a modern hospital?

Mr. MCINTOSH: I think Mr. Herridge had better take some post-graduate courses in mind reading, because I did not have that in mind at all.

Mr. HERRIDGE: Glad to hear it.

The CHAIRMAN: We have decided we are going to the Montreal area. I suppose I should ask the committee to decide whether you want to go by plane or by train. If we go by train Colonel Lalonde can give you the times of leaving and getting back.

Mr. WINKLER: I suggest we go by train.

Mr. CARTER: I do not think it would save any time to go by air to Montreal.

Mr. HERRIDGE: Of course this is a cost to the country; we have to think of that.

Mr. LALONDE: We are hoping to get a special chair car attached to the normal train for the exclusive use of the members of the committee.

Mr. WINKLER: Coming and going?

Mr. LALONDE: Both ways.

You would have to leave in the morning at 8.20 daylight saving time and return in the evening from St. Anne's at 6.07 daylight saving time which would get you into Ottawa at 8.35 in the evening.

The CHAIRMAN: There is one more question. Mr. Speakman has been trying to get the floor here.

Mr. SPEAKMAN: Well, Mr. Chairman, I want to suggest that this visit be timed so that it does not interfere with two things, first, the dominion convention of the Canadian Legion is to be held starting on May 29 and ending June 3. There will be a good many members of this committee who will want to attend all or part of that convention and, secondly, that it be held before June 16.

The CHAIRMAN: Gentlemen, I would like to have some expression of opinion from the committee as to the day of the week that we would go.

Mr. STEWART: Some Wednesday.

Mr. PARIZEAU: We miss only one sitting.

Mr. HERRIDGE: It is only a short day.

The CHAIRMAN: Would Wednesday be suitable to the whole committee?

Mr. WEBSTER: I would suggest Friday, Mr. Chairman. Some of the members might like to stay over.

The CHAIRMAN: A good idea. Are you willing to leave it to the steering committee to decide the day of the week and the time?

Then the steering committee will decide that. We will have to have a meeting soon.

Mr. WEICHEL: I would like to say that Friday is a bad day because a lot of fellows go home on the week-end.

Mr. O'LEARY: I move that it be left to the steering committee.

The CHAIRMAN: Moved and seconded and agreed that it be left to the steering committee.

Now, gentlemen, we will start with estimates. We are at item 465. There is a brief here that you might have from the Canadian corps association, dominion command. I will just have it distributed at the moment.

We will ask Mr. Garneau—he has a statement he would like to read before we start discussions.

Mr. F. J. G. GARNEAU (*Chairman, War Veterans Allowance Board*): Mr. Chairman and gentlemen, before you undertake the study of the war veterans allowance appropriations, it was thought that I should again, briefly, outline the functions and responsibilities of the war veterans allowance board and district authorities.

The board is responsible to parliament through the Minister of Veterans Affairs, who is charged with the administration of the War Veterans Allowance Act except as to the authority and jurisdiction to deal with and adjudicate upon applications for allowances under the act.

This authority and jurisdiction is exercised by the board in Ottawa and by the district authorities who are established in each district of the department across Canada. These district authorities, numbering eighteen, deal with and adjudicate, in the first instance, on all applications, reviews, suspensions or cancellations of war veterans allowances within their respective districts.

The war veterans allowance board functions as a court of appeal for applicants or recipients who may feel aggrieved by the adjudication of the district authorities. The board may also, on its own motion, review adjudications by district authorities and deal with same as though an appeal had been taken. Likewise, it may review or alter any adjudication made by itself.

The board is the final authority in matters of interpretation and adjudication relative to the act and the regulations and may, if deemed advisable or necessary, seek legal advice from the legal services of the department or the Department of Justice.

The board may advise the minister in matters which appear to require regulations by the governor in council. It likewise is responsible for the drafting of the necessary administrative instructions to the district authorities including matters of procedure touching the operation of the veterans welfare services in the field in relation to war veterans allowance requirements.

During the last session of parliament, there were no amendments made to the Act, nor were there any changes made to the regulations.

As stated previously, the board does not keep any statistical records of its own. Any statistics pertaining to the war veterans allowance operations, as well as other statistical data required by the department are compiled and kept by the research adviser of the department.

I thought however, in bringing my remarks to a close, that you might be interested in a comparative statement of the number of war veterans allowance recipients on strength as at December 31st 1959 as compared to the number on strength as at December 31st 1958, one year earlier.

Mr. Bowland, the department's research adviser, has therefore, kindly supplied the following figures:

	1958	1959	Increase or Decrease
Veterans	45,466	47,393	+1,927
Widows	17,232	18,686	+1,454
Orphans	242	237	- 5
Dependents	1,185	1,218	+ 33
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Total	64,125	67,534	+3,409
<hr/>	<hr/>	<hr/>	<hr/>
Annual Liability	\$55,967,272	\$58,165,796	+\$2,198,524

That figure regarding dependents, I might say—it is not in my note—refers specifically to those cases that are continued at married rates, let us say, for a year after the veteran has died and are fairly constant. For a year we continue the award under the requirements of the act to widows who have lost their husbands and those are treated as "special awards". In other words, the total increase in war veterans allowance recipients in the course of one year has been 3,409. The annual liability was increased by \$2,198,524.

I thank you, Mr. Chairman and gentlemen, for your kind attention.

Mr. ROGERS: Could I ask one question?

The CHAIRMAN: Yes.

Mr. ROGERS: How many are there receiving war veterans allowances?

Mr. GARNEAU: At present?

Mr. ROGERS: Yes.

Mr. GARNEAU: The latest figures I have as at March 31, 1960, show 67,858 recipients.

Mr. ROGERS: And widows?

Mr. GARNEAU: That is the total. I can give you a breakdown if you wish: widows 19,017, veterans 47,378.

Mr. ROGERS: Thank you.

Mr. GARNEAU: And the section 5 special awards 1,213.

Mr. ROGERS: Thank you.

Mr. MACRAE: Mr. Chairman, these figures are given completely and broken down in the report of the Department of Veterans Affairs, the minister's report to parliament every year. It seems to me just last night I was reading them and, Colonel Garneau, your report to the minister breaks these estimates down in many categories. So, whatever information anybody wants, the figures can all be found in the minister's report to parliament.

Mr. HERRIDGE: But not as late as Colonel Garneau gave us.

Mr. MACRAE: They were as up to date as Colonel Garneau gave them, were they not?

Mr. GARNEAU: No, not as late.

Mr. MACRAE: Is it not true that the number of war veterans allowance recipients in respect of World War I are all gradually declining and that the increase in figures in the total is attributable to World War II; is not that correct?

Mr. GARNEAU: There is no decrease for World War I recipients. There is a slight decrease included in these two latest figures that I have. The World War I on February 29—I am taking one month's difference—was 57,284.

The CHAIRMAN: What year?

Mr. GARNEAU: 1960, which are the latest figures.

Mr. MACRAE: And at March 31?

Mr. GARNEAU: 57,250. Well, that may not necessarily mean that it is because of deaths or something like that. They may have come off allowance for financial reasons or other things. That may fluctuate, but there is no marked change.

Mr. MACRAE: In relation to a year ago?

Mr. GARNEAU: As compared to a year ago—

Mr. HERRIDGE: We ought to rejoice in their good health.

Mr. BATTEN: Mr. Chairman, may I ask the colonel what is the number of veterans—

Mr. MACRAE: I am sorry, I did not get an answer to my question yet. I would appreciate that. What was it a year ago? I am interested in particularly those figures. I would like to have the answer.

The CHAIRMAN: I understood he said he did not think he had the figures, but we will wait a minute and see.

Mr. MACRAE: I am sorry. I did not hear you, there is so much noise.

Mr. GARNEAU: A year ago at March there were 39,714 veterans of World War I and as of the same date this year, 40,420.

Mr. MACRAE: So it is going up?

Mr. GARNEAU: Yes.

The CHAIRMAN: Now, Mr. Batten, you had a question.

Mr. BATTEN: My question, Mr. Chairman, is this: whatever the latest figures are which the colonel has, what are the number of veterans receiving the veterans' allowance for World War II and for World War I?

Mr. GARNEAU: I have them here. I am giving you the latest figures, not on the last fiscal year. Of World War II we have now on strength as of March 31, 8,036—pardon me, that is the total—6,613; and World War I, 38,955 veterans.

Mr. BATTEN: Thank you very much.

Mr. KENNEDY: Does that include dual veterans, that figure?

Mr. GARNEAU: No, dual service veterans on strength was 1,051.

Mr. CARTER: Do you keep these dual veterans separate?

Mr. GARNEAU: Just for statistical purposes.

Mr. MACDONALD (*Kings*): Mr. Chairman, I had a general question I would like to ask Colonel Garneau before we got into the details of the estimates. In the last couple of years I have had up to perhaps half a dozen cases referred to me where the wife is unable to qualify for war veterans allowance due to the fact that she has not been living under the same roof as her husband. In these cases the reason she has not been living with him is due to the misconduct of the husband. I find, as far as I can see, there is no discretion allowed or no consideration given to the wife who in many cases has been a very good helpmate and deserving, and through no fault of her own is just unable to live with the veteran any longer.

I wondered if there was any possibility of assistance which could be granted in cases like that, or what your opinion might be on changes in the legislation in that regard.

Mr. GARNEAU: Officially the statute requires that the widow, in order to qualify for an allowance, must have been residing, with or being maintained by her husband at the time of his death. The board is given a certain amount of

discretion by the statute where it deems it just and reasonable to exempt a widow from the application of that section. That only applies to widows. Were you speaking specifically of separated wives?

Mr. MACDONALD (*Kings*): In some cases a widow and in other cases a wife.

Mr. GARNEAU: There is no consideration for the wife under the statute unless she is residing with her husband, no matter where the fault may lie, because the act requires that the husband and wife be residing together in order to qualify for the allowance at married rates.

Mr. MACDONALD (*Kings*): There is absolutely no discretion?

Mr. GARNEAU: That leaves us no discretion.

Mr. MACDONALD (*Kings*): Even if the husband is entirely at fault?

Mr. GARNEAU: Unfortunately, yes.

Mr. CARTER: If they are separated does the husband get the married allowance, or single?

Mr. GARNEAU: No, single. He does not get the benefit of the married rate.

The CHAIRMAN: Mr. McIntosh, you have a question?

Mr. McINTOSH: My question is in relation to an application I received from a veteran of the Boer war, and the fact that he arrived in South Africa one day after the date laid down under an amendment to the act disqualified him for a pension under the War Veterans Allowance Act. In fact, his status as a soldier is nil. Although he did volunteer, he was on the high seas before the Boer war was over, but was brought back to Canada and discharged. He has actually no benefits whatsoever. His intention was established that he was a volunteer. I notice in the first resolution in the submission of the Canadian corps association, dominion command, here, it relates to a veteran of World War I who had to serve in the United Kingdom for 365 days before he qualified.

That qualification is not necessary for a veteran of World War II. Taking it step by step it would seem that the World War II veteran has many more privileges than those serving in previous wars.

I wonder what the deputy minister would say in explanation as to why, when this provision was made for World War II veterans, it was not amended back to cover those serving in previous wars in a like manner? I think it should be done, because we are treating one veteran in one way and because another group of veterans are diminishing in number they are not getting the same privilege, although they served in uniform and there is not as many of them to fight their cause. Was it because of pressure of the greater number that the act was amended to give clear-out special privileges to the World War II veterans? I think what applies to one veteran in similar circumstances should apply to another veteran.

Actually this chap I have in mind, although he did serve in uniform, about the only privilege he has is joining the Canadian Legion; and then his qualification as a veteran is still questioned because, according to this act, he is not a veteran—or is he? That is what I want to know.

Mr. LALONDE: The only explanation I can give you, Mr. McIntosh, is that one principle that was very strongly stressed when this act was enacted was that it was to apply only to those veterans who had seen service in a theatre of actual war. This is still in the act and many definitions have been given of the expression "theatre of actual war" after World War I, again after World War II to include this war.

After World War II parliament decided that those who had served in England had served in the equivalent of a theatre of actual war because of the V-1's and V-2's and all the other types of bombs that fell on England.

In so far as the South African war is concerned, it has always been in the act that the South African war ended on May 31—

Mr. MCINTOSH: That was an amendment, I do not think it was in the original act.

Mr. LALONDE: I forget the year—May 31, 1902. The peace treaty was signed as of midnight that day and the war was ended, and therefore, it was no longer, in the opinion of the legislators who incorporated that in the act, a theatre of war, because there was no longer any war going on.

Mr. MCINTOSH: In the definition of a theatre of war in World War II the high seas were considered a theatre of war, were they not?

Mr. LALONDE: As applied to naval personnel, because there were in those days quite a few threats from undersea crafts.

Mr. MCINTOSH: Army personnel did not drown; just naval personnel?

Mr. LALONDE: Those who did drown were covered by the Pension Act.

Mr. MCINTOSH: My point is the act has been revised and I do not see why, when these revisions were made, that it did not change the previous circumstances also.

Mr. LALONDE: It all depends on the policy that parliament wants to incorporate into the act. If the legislators want to say that they will get away from the use of the term "service in a theatre of actual war" then the department, the board and the district authorities will be glad to apply it that way.

Mr. HERRIDGE: Mr. Chairman, I heartily support Mr. McIntosh's contention, but it is a matter of legislation, and we have to proceed later with the act, as I understand.

The CHAIRMAN: We will keep a record of it and we can possibly discuss it a later time when we make the amendments.

As I understand it, we cannot make a recommendation on it because there is no amendment yet before us on the War Veterans Allowance Act. When it comes up we may consider it at that time.

Mr. HERRIDGE: Mr. Chairman, could I ask Colonel Garneau a question? I have one or two similar cases to Mr. McIntosh's. I have also had one or two that concerned Imperial veterans who served in the Indian army and were sent up into Afghanistan, or the frontier, on a certain date. In one or two cases it gave rise to the question as to whether or not they were qualified according to the act. My question is this: when such veterans make application I understand you often correspond with the representative of the British ministry of pensions here on interpretation; and I have noticed an occasion that their interpretations of service are very much more rigid than ours are in Canada. Would you mind informing the committee what the usual procedure is when you receive an application of that sort when you are in doubt?

Mr. GARNEAU: When we get an application of that type, as you said a moment ago, we do write to the British ministry of pensions to find out if according to their records the man did serve there, and so on and so forth, and if he was considered to have served in a theatre of actual war.

It must be remembered that during World War I—and this mostly applies, of course, to World War I—the British kept a good number of troops in the Khyber Pass, let us say, Afghanistan, some of the "northwest frontier forces", for police duty. The tribes there were giving trouble. We never could be sure by ourselves whether that police duty, so to speak, for maintaining peace and order, was related to World War I as such. So we feel we have to rely on how the British themselves consider that veteran to have

served, whether in their opinion it was service in a theatre of war for their purposes entailing, for instance, the award of a Victory medal, which was the symbol of all those who saw service in a theatre of war and so on, and whether their records show him as serving in a theatre of actual war. For lack of better information we take that, and after scanning it very thoroughly, as a guide or a yardstick, we reach our decision. If they do not consider that he served in a theatre of war any more than, say, a Canadian veteran, who would have been serving either in Canada or, say, Newfoundland, for instance, in the last war, we actually accept that as a yardstick that guides the board in reaching its decision.

Mr. SPEAKMAN: Mr. Chairman, I have two points I would like to raise, and the first point is—

Mr. McINTOSH: Before we leave this one point—

The CHAIRMAN: This is supplementary, is it?

Mr. McINTOSH: It is on the same point that I brought up. I do not want to just drop it there. I want to know what can be done so that this can be brought to the cabinet, or wherever it must be, to change the policy. This has been talked about and it is recorded in the minutes; I recognize that fact. But is anything going to be done about it?

The CHAIRMAN: Not at this meeting, Mr. McIntosh.

Mr. McINTOSH: Well, what procedure should I go through to see that this is attended to?

The CHAIRMAN: When the amendments to the War Veterans Allowance Act come up, then we will have a chance to discuss it and possibly make a recommendation then. But I would say not at this time, Mr. McIntosh.

Mr. BENIDICKSON: Surely we have two opportunities. In making a report on the estimates after examining the war veterans allowance items I think we can incorporate in the report a recommendation as to any deficiencies if we see fit. If that was not so I think, secondly, any committee, of course, if they feel strongly enough about the matter, can always go back to the House of Commons with a request that its order of reference be enlarged. Those two fields, I think, would be open to Mr. McIntosh.

The CHAIRMAN: I was just going to say, Mr. Benidickson, that where Mr. McIntosh will have a chance to bring this all up is when these amendments come before us. It seems to me we are sort of duplicating the whole thing.

Mr. BENIDICKSON: Are you suggesting there will be amendments?

The CHAIRMAN: Yes, I understand there are.

Mr. BENIDICKSON: The other point I was going to bring up in connection with the comments just made by Mr. McIntosh is that I have felt in the past that there might be some advantages in bringing someone here to speak to the National Defence Act, because when we consider some of the people who gave war service that did not get this medal, such as firefighters and others who have come before us in other sessions, we always met with the fact that the Department of Veterans Affairs does in fact rely, not on legislation in statutes which we are examining in the veterans affairs committee, but on the National Defence Act; and the merit as to whether or not some of these people should be eligible for these medals is something which I do not think we have examined in recent years. That is always a stumbling block when we come to eligibility towards certain estimates in the veterans' legislation, that they point to the fact that they are utilizing a yardstick in another department's statute. I wonder if perhaps at some point the veterans affairs committee should not have a look at the section of the National Defence Act that determines eligibility for the medal we have been discussing.

Mr. DINSDALE: But is this not a discussion of the British government?

Mr. LALONDE: I do not think, Mr. Benidickson, that it is quite right to say that the Department of Veterans Affairs is relying on the award of a medal under the National Defence Act to determine eligibility under any of the acts in the veterans' charter.

The provisions that were embodied in the National Defence Act may have been repeated in some of the acts in the veterans' charter, but the terms of reference are clearly stated in each act affecting the Department of Veterans Affairs. So that our acts in themselves contain all the terms of reference which we use to determine eligibility.

Mr. BENIDICKSON: So that in the case of the firefighters or in the case of service in a theatre of actual war your own acts can be amended if the government see fit.

Mr. LALONDE: If it was the policy, yes, Mr. Benidickson.

Mr. SPEAKMAN: Mr. Chairman, maybe I can come back to my point now. Resolution No. 1 in this brief—

Mr. HERRIDGE: This is a new brief?

The CHAIRMAN: Yes. Mr. Speakman, I think under 466 would be a better place instead of 465. I think that was my error when I mentioned that.

Mr. SPEAKMAN: Well, we will carry 465, then?

The CHAIRMAN: Mr. Carter has a question.

Mr. CARTER: I merely wanted to put it to the deputy minister—before I say that I want to indicate my support for Mr. McIntosh's stand on this thing, because it is one that I have taken myself on several occasions. I think the committee should know that in the case of Newfoundland veterans, before confederation any Newfoundland veteran in World War I, who left Newfoundland's shores, was automatically considered as having overseas service and as having served in a theatre of war the minute he went out on the ocean. When we came into confederation the Newfoundland veteran lost that status. He was reduced in accordance with the provisions of the veterans' charter. But the question I wanted to ask Mr. Lalonde is this: in the case of a veteran—the thing that bothers me is what is defined as service in a theatre of war. If a veteran in World War I landed in France and broke his leg that night and got back to Blighty because of it, would he then be considered as having served in a theatre of war?

Mr. GARNEAU: I think he would if he was on his way to join a unit in the field or had actually joined that unit in the field. That is one of the requirements, because there were, quite a few Cook's tourists, as we call them, in World War I, people who came to visit and make a tour of the installations, trenches, and so on, but their base was in England. They were visitors, so to speak. But a man who is on draft from England, let us say, to rejoin the 54th battalion or the 22nd battalion and is, we might say, to some extent in transit, we certainly would without hesitation consider him as having been on the continent of Europe for the purpose of service in a theatre of actual war.

Mr. CARTER: On the other hand there were numerous instructors who would have given their eye teeth to get across the channel and were indispensable for the job which they were doing on the other side.

Mr. LALONDE: There were quite a few instructors in the air force under the air training plan who stayed in Canada all through World War II, and not of their own free will.

Mr. CARTER: I think we should make stronger representations on this whole thing.

Mr. LENNARD: Mr. Chairman, in regard to Mr. McIntosh's recommendation I want to say if we cannot make recommendations to the minister what good are we? As a committee we might just as well fold up.

The CHAIRMAN: Any other questions?

Mr. LENNARD: That could be brought in as one of the recommendations.

Mr. HERRIDGE: Would it not be better now to deal with all these questions when the amendments to the War Veterans Allowances Act are before the committee?

The CHAIRMAN: That is what I said. There is a bill coming up this session.

Mr. BENIDICKSON: Mr. Chairman, there is no certainty that plans with respect to this session's legislation will in their entirety be fulfilled. I think it has been estimated already that perhaps some items that the government would like to advance and see completed this session may have to be postponed and referred to a subsequent session. This might or might not be one of those. I would be quite happy to reserve my interest in this, I think, until we get the legislation. However, if there is any chance that we are not going to get the legislation at the time we are implementing our report, then I hope it will be seen that it is incorporated.

Mr. MCINTOSH: A person serving in 1900 would be getting pretty well up in age now.

Mr. HERRIDGE: I support Mr. Benedickson's suggestion. I think that is the logical way.

I have a question of Colonel Garneau. Could you tell us if there has been any change in the arrangements in respect of the field workers, say in Vancouver, who go out in the various parts of British Columbia. Has there been any change in the arrangement in respect of veterans advocates travelling?

Mr. LALONDE: I would ask Mr. Mann to answer that question.

Mr. MANN: There has been no change whatever so far as the veterans welfare field service staff is concerned.

Mr. HERRIDGE: The country is visited periodically.

Mr. MANN: Yes sir, on a regular schedule.

Mr. HERRIDGE: Thank you. I am glad to hear that.

The CHAIRMAN: Are there any further questions?

Item agreed to.

The CHAIRMAN: We will proceed to item 465.

Item 465. War veterans allowance board—Administration \$ 155,960

Item agreed to.

Item 466. War veterans allowances \$ 62,079,000

The CHAIRMAN: The first item in this vote is the north west field force. Are there any questions?

Mr. ROGERS: I would like a little explanation on this north west field force. How many are there?

Mr. GARNEAU: The latest figures, which are as of March 31, show that there are 8 veterans and 36 widows living.

The CHAIRMAN: Are there any further questions?

Are there any questions in respect of the South African war item?

Mr. HERRIDGE: Could we have the figures?

Mr. GARNEAU: Veterans 514 and widows 443. Under special awards, section 5(1), there are 28. In other words, there are 28 widows to be added to the 443.

Mr. BENIDICKSON: In respect of World War I, I notice there is no reduction contemplated. Why is there an even amount there?

Mr. LALONDE: Because last year we overestimated. We lapsed about \$1,750,000 on this particular item. So we think that by keeping at the same level and using that difference we will perhaps hit the right amount including the possible increase this year.

The CHAIRMAN: Are there any further questions?

Mr. SPEAKMAN: I think I can get in my question here. Resolution No. 1 appears to make some difference between veterans of World War I and World War II. I would like to ask the deputy minister if this is not an identical thing, and that the length of service in the United Kingdom is parallel. Is it not 365 days in the case of veterans of World War I and World War II?

Mr. CARTER: No.

Mr. LALONDE: No. The World War II veteran who served in England, whatever his length of service, is considered under the act to have served in a theatre of actual war. In 1957, an amendment was made to the act to cover those who had served in the United Kingdom in World War I for 365 days or more.

Mr. SPEAKMAN: Resolutions 2 and 3 seem to run almost parallel. No. 2 asks for a 33½ per cent increase which, if granted, would give the married veteran \$2,000 a year of \$100 less than that asked for under resolution 3. The resolution respecting the single veteran would raise him from \$960 basic to \$1,280 basic. I agree that the single veteran needs an increase more than does a married man because it costs him more to live than it does two people living together. I am wondering if that point had been looked at.

Mr. HERRIDGE: Might I point out that the record would be incomprehensible to anyone reading it, unless this brief is included in it. I move that this brief be included in the minutes of the proceedings.

Mr. CARTER: I second that.

The CHAIRMAN: Is it the wish that it be included as an appendix?

Agreed.

Mr. LALONDE: I believe the intent of resolution No. 2 is that it should apply to the basic rate and that the intent of resolution 3 is that it should apply to the income ceiling.

Mr. SPEAKMAN: Yes.

The CHAIRMAN: Are there any further questions?

Item agreed to.

Item 467. Assistance fund (war veterans allowances) \$ 3,000,000

The CHAIRMAN: Are there any questions?

Mr. HERRIDGE: I am going to ask one question. I know this item sometimes brings more problems in relation to expenditure than do some of the larger items. Would the deputy minister mind informing the committee how the department works in cooperation with provincial welfare organizations, because from experience I find that there is quite a bit of overlapping at times. I am not blaming the department.

Mr. LALONDE: You realize that the sole purpose of the assistance fund is to provide financial assistance to a number of war veterans allowance recipients who are getting the maximum rate but who have no other income between the maximum rate and the income ceiling.

Mr. HERRIDGE: Yes.

Mr. LALONDE: In each case the request for this additional assistance is based on welfare principles and our welfare people have to make an investigation to establish whether or not there is a need for this additional financial

assistance. In the department we establish that by ourselves pretty well. There is no other agency which comes in on that particular decision.

Mr. HERRIDGE: You do not seek the advice of the provincial social welfare services or seek information from them?

Mr. LALONDE: We may in some cases. Perhaps Mr. Knight can answer that.

Mr. C. N. KNIGHT (*Chief, General Services Division, Veterans Welfare Services, Department of Veterans Affairs*): Perhaps this is what you have reference to. Included in the assistance fund regulations is an instruction to departmental officers that we are to assist applicants for the assistance fund to obtain any other help for which they may be eligible. Such help from the assistance fund has first priority if the applicants meet the requirements of the fund, where the applicant made a request for it. But there are instances, where you have a widow with a number of children. It could run up as high as half a dozen. Then, frankly, we cannot give her all the assistance she needs, because we are up against the ceiling of the War Veterans Allowance Act.

In these cases where there is the possibility that she may be eligible for further supplementation from the province or municipality, we refer the case to them and try to see that she gets the best possible consideration.

Mr. HERRIDGE: I am very glad to hear that.

Mr. McINTOSH: The deputy minister said that this is a supplement to those receiving the war veterans allowance; and the last speaker referred to applicants to this fund. Is it only those who are receiving the war veterans allowance who can apply for this fund?

Mr. LALONDE: Yes.

Mr. McINTOSH: Is there any other fund to which the applicant could apply under your department? The case I was speaking about was that of a chap who was in uniform and was on the high seas during the South African war.

Mr. LALONDE: This is the only assistance fund which is financed through the use of public monies.

Mr. McINTOSH: Is there no other assistance fund?

Mr. LALONDE: There is no department fund where we would spend money. There are a number of canteen funds which are not governed by the department, but which are available to World War I veterans in certain provinces, or to World War II veterans. The only assistance fund financed through the use of taxpayers money is this one, and it is available only to war veterans allowance recipients.

Mr. McINTOSH: Is there any designation of the term veteran under which this chap could qualify himself as a veteran? You mentioned veterans all the time.

Mr. LALONDE: The man who landed in South Africa after the signing of the peace treaty is still a veteran, but he is not eligible under the War Veterans Allowance Act.

Mr. McINTOSH: I doubt if he is a veteran under the terms of that particular act.

Mr. LALONDE: Oh yes, he is a veteran, because he served in the Canadian forces; and under the terms of the act he is a veteran, but he is not eligible for this assistance.

Mr. McINTOSH: Under the different acts which you deal with, are there different terms for veterans?

Mr. LALONDE: That is correct; there are various conditions of eligibility placed in each act.

Mr. MCINTOSH: Under which act can he qualify as a veteran?

Mr. LALONDE: In the case of the South African war there was neither a rehabilitation scheme, nor any of the other new benefits.

Mr. MCINTOSH: Can you tell me of any act under which he could qualify and use the term veteran?

Mr. LALONDE: If he has a disability resulting from service, it might qualify him for a pension. That is the only benefit that can go to people who did not see service in a theatre of actual war, in this particular conflict.

Mr. MCINTOSH: Under your department he is not qualified as a veteran?

Mr. LALONDE: Not under the War Veterans Allowance Act.

Mr. MCINTOSH: Or in your department?

Mr. LALONDE: He is qualified under the Pension Act if he has a disability.

Mr. PUGH: Is there not an army benevolent fund which receives money out of the public purse?

Mr. LALONDE: Last year I attempted to answer some questions about that fund, but I would prefer to let the fund officials answer questions about it.

The CHAIRMAN: When we come to that item we can stand it until the next meeting. Now, Mr. Weichel.

Mr. WEICHEL: I would like to ask a question with reference to the assistance fund. Suppose a man has the required amount in his estate, \$8,000, and also a certain amount of cash in the bank. Could he still draw this assistance on top of that?

Mr. LALONDE: It is a little difficult to answer that type of question because there are so many factors involved. I take it that this man as a home which he occupies, and is a recipient under the War Veterans Allowance Act?

Mr. WEICHEL: That is right.

Mr. LALONDE: And I also take it that he has no other income.

Mr. WEICHEL: No other income, no.

Mr. LALONDE: And that he gets the maximum basic rate; he would then be eligible. Oh yes, and I also take it he has very little money in the bank.

Mr. WEICHEL: How much money could he have in the bank?

Mr. LALONDE: It depends whether he is married or single. Is it not \$2,000, if married?

Mr. WEICHEL: I think that is right, and that is all I am thinking of. If he has his home and \$2,000 in the bank, could he receive this assistance fund?

Mr. C. N. KNIGHT: That would depend. He might qualify for a continuing monthly grant, if he had a certain amount in the bank. He could qualify for a single grant, that is, to meet his needs other than his ordinary living expenses, only if he had \$500 or less of liquid assets, and \$100 for each additional dependent.

Mr. WEICHEL: Thank you.

Mr. BENIDICKSON: I was looking at the figures on page 577 in connection with this item, and I see we are being asked for \$3 million this year. I note that it is indicated, or estimated that the expenditure in total for 1959-60 would be \$2,620,000. On the other hand I see in the main estimates \$2,550,000 were provided. Were there in fact supplementary estimates in 1959-60 beyond the original one?

Mr. LALONDE: That is right.

Mr. CARTER: I would like to clarify the answer which Mr. Knight gave to Mr. Herridge a little while ago. If I understood him correctly he said that the amount of special assistance a person could get—a widow I think was what

he had in mind, with so many children—was determined or limited by the income ceiling of the War Veterans Allowance Act. Yet you said that you thought there were some cases where you referred these people to provincial authorities for additional assistance.

How do you get around that ceiling of income under the War Veterans Allowance Act? And if they should get assistance from the provincial source, would it not also be taken into account under the ceiling?

Mr. LALONDE: It depends on what type of financial assistance is given from the province; because under section 6 of the act there are a number of payments which are exempt under the War Veterans Allowance Act.

For instance, money or assistance provided by any province by way of mothers allowance or by way of relief for dependent children; this is exempt income, and it would not count in the ceiling.

Mr. CARTER: That was not clear to me when you first made the statement.

Mr. DINSDALE: On a point of clarification, the deputy minister mentioned the principle of service in a theatre of actual war as being basic for eligibility to receive the war veterans allowance. Is there not a well-known principle flowing from that, the principle that the allowance is based on the idea of ten years of premature aging because of exposure to battle experience and other hardships of war? That has always been the interpretation that I have heard.

Mr. HERRIDGE: That was very well discussed at a previous meeting, and I would recommend that the hon. gentlemen read the minutes of the previous meetings. It is not worth exploring again.

Mr. DINSDALE: I am just asking for clarification.

Mr. LALONDE: I do not think that has ever been in the act. But I have read very many speeches of the type mentioned ever since the act has been in operation, and some of them did mention that.

The CHAIRMAN: Does the item carry?

Item agreed to.

Item 469. Burials and Memorials	\$ 1,417,150
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Mr. HERRIDGE: On this question could the deputy minister give us any information—has he found that there have been any complaints this year to any justifiable extent with respect to the administration of the last post fund?

Mr. LALONDE: I think Mr. Bonnar, the assistant secretary, could answer your question better than I can. He is the departmental representative on the last post fund board. Mr. Bonnar?

Mr. R. BONNAR (Assistant Secretary, Department of Veterans Affairs): Mr. Herridge, I believe I can say that there have been no complaints made directly to the department about the last post fund operations in the almost two years that I have been associated with that organization.

Mr. HERRIDGE: That would indicate that the Legion branches are becoming better acquainted with the procedure, because there were numerous complaints a few years ago.

Mr. LALONDE: I think it is fair to say that a lot of the difficulty to which you are referring now has been straightened out. You were referring to something which happened three or four years ago.

Mr. HERRIDGE: Yes.

Mr. LALONDE: I remember that, and I think it has been straightened out. Mr. Bonnar devoted a great deal of time to this, and he has done an excellent job.

Mr. HERRIDGE: Since that period I have not received a single complaint. I find everything has been working much more quickly.

The CHAIRMAN: Does the item carry?

Mr. ROGERS: Is this with reference to the last post fund?

Mr. HERRIDGE: Yes.

Mr. ROGERS: I am sure that all the complaints have been cleared up. I think the last post fund is one of the types of fund with which we should have nothing to do. I have had a couple of single veterans who died in hospital, and they had everything they had taken away.

Mr. BONNAR: It would be most unusual for the last post fund to have anything to do with such funerals if the veterans died while under treatment by the Department. The last post fund is mostly concerned with veterans who die under indigent circumstances, but not on Departmental treatment strength.

Mr. ROGERS: I have in mind a veteran who died, and he had a small pension.

Mr. BONNAR: The veterans burial regulations apply if the veteran died on Departmental treatment strength. If the veteran was being treated for a pensionable disability at the time of his death, the department will take care of his funeral and burial expenses without any claim on the estate whatsoever. However, if the veteran was being treated for a non-pensioned disability, and died, his estate would be expected to take care of the funeral and burial expenses. But if his estate is insufficient, then the department will take care of those expenses.

Mr. ROGERS: The case I have in mind would be in that second class.

Mr. BONNAR: There are many occasions when the department will, in that second category, make grants towards the funeral and burial expenses. However should they discover later on that the veteran actually had funds sufficient to cover those expenses, in that case the department would claim for the recovery of its costs.

Mr. ROGERS: Thank you. I am not complaining, because I think in general it is pretty good. But the one criticism I gather is just in respect to that second class. I think it could be handled more smoothly sometimes than it is.

Mr. BONNAR: I believe you mentioned a single veteran in the second category. I should point out that if we do not recover our costs and there is something left in the veteran's estate, the provincial authorities will take it away.

Mr. ROGERS: I agree; but this chap did not know that he was going to die. If he had known, of course he would not have anything with him; but he did not expect to die, and he had \$100 in his pocket. They took it away, and I thought it was pretty small.

The CHAIRMAN: Are there any further questions?

Mr. HERRIDGE: I see there is no provision for any further expenditures on the Books of Remembrance. Are we to take it from that that they are completed?

Mr. LALONDE: They are in the process of completion, and the only thing left now is the cost of the binding, which comes out of a separate item by arrangement with the Queen's printer. So that for our purposes there are no more funds to be spent on them.

Mr. WEICHEL: Mr. Chairman, with reference to the funeral expenses, is the headstone included in that, if asked for, or is that separate?

The CHAIRMAN: Yes.

Mr. HERRIDGE: On headstones, Mr. Chairman—just for the information of the committee and other persons who have written to me—would the deputy

minister mind mentioning under what circumstances the department provides headstones?

Mr. BONNAR: There are four main circumstances. First of all, where it is ruled by the Canadian Pension Commission that the veteran's death was due to military service, the Department would provide the headstone.

Secondly, if the pension commission has made a burial grant, under section 35 of the Pension Act, as a contribution towards the funeral expenses of a pensioner, the Department will provide a headstone.

Thirdly, we will provide a headstone if the veteran's death occurred on departmental treatment strength, while being treated for a pensionable disability.

Fourthly, the department will also provide a headstone if the veteran was being treated by the department for a non-service related disability if the estate is insufficient to pay reasonable funeral and burial expenses and to provide a headstone.

Mr. HERRIDGE: This item of the imperial war graves commission—I do not know whether I am correct in saying this, but could the deputy minister give any information as to what progress is being made with respect to plans for a proposed new national war memorial?

Mr. LALONDE: I presume you are referring to the announcement made in the house about the cabinet decision to build a memorial on Nepean Point. That has nothing to do with the Commonwealth war graves commission; that is entirely a Canadian effort.

This amount of \$442,000 is our share of operating the Commonwealth war graves commission throughout the world.

To answer your first question, I would say, yes, progress is being made and they are working on the plans. This is being done through the Department of Public Works.

Mr. HERRIDGE: I am very glad to hear you have not been influenced by the editor of the *Ottawa Journal*.

Item carried.

The CHAIRMAN: That brings us to the grant to the army benevolent fund. We would like to have that stood?

Mr. SPEAKMAN: Carried.

Mr. MACRAE: I do not think we should do that. We should look at it.

The CHAIRMAN: Hands up those who wish it stood? I think that is sufficient.

Item stands.

The CHAIRMAN: We will stand item 470 and go on to item 471

Item 471. Grant to Canadian Legion	\$	9,000
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Mr. WEICHEL: Could that be explained a little bit?

Mr. LALONDE: This has been paid to the Canadian legion, I think, ever since World War II, to help them defray the expenses of their service bureau in Ottawa. Actually, there are a number of rules the first one being that the cost of operating the legion bureau must be such that the contribution by the legion itself is higher than the contribution made by the government.

Mr. CARTER: Has this grant been increased in recent years?

Mr. LALONDE: No, it has not been increased since World War II.

Mr. MACDONALD (*Kings*): Is this not in recognition, too, of the fact the Canadian legion does a great deal of work through their service bureau which may otherwise have to be done by advocates, and so on, and thereby saves the department very considerable expense?

Mr. LALONDE: That is a matter of opinion, Mr. Macdonald.

Mr. HERRIDGE: When the grant was first given it was given because of the work the legion did in that direction. I remember this being discussed in the house.

Mr. LALONDE: I was referring to the suggestion it might cost the department a lot more money.

Mr. HERRIDGE: I was not dealing with that.

Mr. BATTEN: May I ask Colonel Lalonde if any branch of the department makes contributions to the construction of legion buildings in different localities?

Mr. LALONDE: No, there is no government contribution to any construction of legion buildings, as such.

Mr. BATTEN: Thank you.

Mr. CARTER: Mr. Chairman, I am just wondering why this grant, the basis of this grant is on a service provided here in Ottawa. The legion provides similar services in other parts of the country. Why is Ottawa singled out as being more eligible than others?

Mr. LALONDE: It is not that Ottawa is being singled out, but the headquarters of the Canadian Legions are here.

Mr. CARTER: I see. It is a contribution to the headquarters?

Mr. LALONDE: It is a contribution made by the government to the legion as a whole, and the legion can use it whichever way they want.

Mr. CARTER: I was just following on your statement about paying this grant for their service bureau. I thought you said this grant was, in some way, connected with the service bureau of the legion here in Ottawa.

Mr. LALONDE: It is for the operation of a service bureau to provide certain services to veterans; but there is no string attached to its use, saying it must be spent in Ottawa, or anywhere else.

Mr. WEICHEL: Mr. Chairman, I would like to ask the deputy minister a question.

Has the legion ever asked for an increase since the second war on this amount?

Mr. LALONDE: I believe they have, Mr. Weichel.

Mr. WEICHEL: Has it been turned down for any specific reason?

Mr. LALONDE: That is not my decision.

Mr. WEICHEL: The reason I ask that is because they do a terrific amount of work in their own branches that never gets paid for. I was thinking it might be possible to grant such a request, if it did come up.

Mr. LALONDE: That still would not be my decision, Mr. Weichel.

Mr. WEICHEL: I am just bringing it up in the minutes, that is all.

Item agreed to.

The CHAIRMAN: We have one other item, dealing with veterans affairs. This is item 495, page 88.

Item 495. To increase to \$400,000 the amount that may be charged at any time to the Revolving Fund established by Vote 517 of the Appropriation Act No. 5, 1958, for the purpose of financing the manufacture of Remembrance Day poppies and wreaths; additional amount required	\$ 50,000
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The CHAIRMAN: Are there any questions on that item?

Mr. HERRIDGE: I think, for the information of some of the newer members of the committee, could the minister explain why the appropriation is not required for 1960-61? Could the deputy minister explain the working of the funds?

Mr. LALONDE: As this item indicates, Mr. Herridge, this is a revolving fund. I think Mr. Mann, who is in charge of vetcraft, can perhaps describe the operation better than I can. But the financial principle on which we work is that we manufacture each year a number of Poppies and wreaths on the basis of an estimate of what the Legion is going to need the following Remembrance Day. Then, of course, we advance the money, and the Legion later buys a number of poppies, which comes up to a certain amount of money. Then they pay the department this amount and it is put back into the revolving fund. So that we can never estimate accurately the exact amount of the bill to the Legion a year from now.

We do the best we can. But there has been an increase in the operation, and that is why the revolving fund of \$350,000 last year was not quite enough to take care of the full production.

Mr. HERRIDGE: Thank you.

The CHAIRMAN: Is the item carried?

Item agreed to.

The CHAIRMAN: That brings us to the Soldier Settlement and Veterans' Land Act, item 475, and it might be a good time, if the committee wishes, to adjourn.

Agreed.

The CHAIRMAN: Then we stand adjourned until next Thursday at 11.00 o'clock.

APPENDIX "A"

4, Ontario,
Veterans Affairs Building,
May 10, 1960.

G. W. Montgomery, Esq., Q.C., M.P.,
Chairman,
Standing Committee on Veterans Affairs,
House of Commons,
Ottawa 4, Ontario.

*Re: Meeting of Standing Committee on Veterans Affairs
May 5, 1960.*

Dear Mr. Montgomery,

Following the request of the Committee which met on May 5, 1960, I have, as promised, asked the officers of the Canadian Pension Commission to advise as to what would be involved in implementing the suggested change in the title of the "Pension Act" to read "War Disability Compensation Act".

Appended hereto is a list of Acts administered under the direction of the Minister of Veterans Affairs which would require legislative amendment. There are other Acts administered by other Departments of Government which would undoubtedly be involved.

Judge F. G. J. McDonagh, appearing before your Committee, offered as an alternative suggestion—that when the Pension Act is re-opened, "the interpretative Section be amended by introducing the words (War Disability Compensation) in parenthesis." This would, he was understood to suggest, render unnecessary many, if not all, of the amendments to other legislation.

The first suggestion, i.e. to change "Pension Act" to "War Disability Compensation Act", would, I am advised, require a very extensive review of the present Act. Probably it would be necessary to provide for pension cases arising out of peace-time service, and certain other groups, by a separate Act.

It is not thought the introduction of the suggested alternative (name in parenthesis) would require a separation of the legislative authority into two Acts.

In view of the above, this Commission finds itself unable to estimate, or even guess, the over-all cost.

Yours faithfully,

L. A. Mutch,
A/Chairman.

Encl.

Ottawa 4, May 10, 1960.

The proposal contained in the brief of the N.C.V.A. presented to the Standing Committee on Veterans Affairs on May 5, 1960 that the term "war disability compensation" be substituted for the word "pension" wherever the latter appears in the present Pension Act, would involve, in addition to an amendment to the Pension Act, amendments to the following acts which fall under the jurisdiction of the Minister of Veterans Affairs:

Department of Veterans Affairs Act, Ch. 80, R.S., 1952,
Civilian War Pensions and Allowances Act, Ch. 51, R.S., 1952,
Fire Fighters War Service Benefits Act, Ch. 117, R.S., 1952,
The Returned Soldiers' Insurance Act, Ch. 54 of the Statutes of 1920,

Soldier Settlement Act, Ch. 188, R.S., 1927,
Special Operators War Service Benefits Act, Ch. 256, R.S., 1952,
Supervisors War Service Benefits Act, Ch. 258, R.S., 1952,
Veterans Benefit Act, Ch. 65 of the Statutes of 1953-54,
Veterans Insurance Act, Ch. 279, R.S., 1952,
Veterans' Land Act, Ch. 280, R.S., 1952,
Veterans Rehabilitation Act, Ch. 281, R.S., 1952,
War Veterans Allowance Act, Ch. 340, R.S., 1952,
Women's Royal Naval Services and the South African Military Nursing
Service (Benefits) Act, Ch. 297,
Children of War Dead (Education Assistance) Act, Ch. 27 of the Statutes
of 1952-53.

In addition, statutes which are administered by other departments, including the Income Tax Act, the Estate Tax Act, R.C.M.P. Superannuation Act and possibly a number of other statutes would also require amending.

In view of the fact that the Pension Act provides for pensions for peace time service for disabilities and deaths incurred during peace time service as well as such casualties during war time, the Pension Act would require to be completely re-drafted if the suggested change was concurred in.

K. M. Macdonald,
Legal Officer.

APPENDIX "B"

Ottawa 4, May 5, 1960.

Attached hereto please find an extract from the Annotations to the 1919 Pension Act covering the then Section 19, the forerunner of the present Sections 20, 21 and 22. This section remained in effect until it was repealed and substituted in 1941. This action resulted from an opinion by the Department of Justice that the section in its then form was possibly ultra vires and in certain respects unworkable.

K. M. Macdonald,
Legal Officer.

Extract from "The Pension Act with Annotations", dated July 1, 1919.

Section 19. If a disability or death for which pension is payable under this Act is caused under circumstances creating a legal liability upon some person to pay damages therefor, the Commission, as a condition to payment of the pension, shall require the pensioner to assign to His Majesty any right of action he may have to enforce such liability of such person or any right which he may have to share in any money or other property received in satisfaction of such liability of such person. The cause of the action so assigned may be prosecuted or compromised by the Commission and any money realized thereon shall be paid into the Consolidated Revenue Fund of Canada. Provided that any money realized thereon in excess of the capitalized value of the pension awarded and the costs, if any, of the recovery shall be paid to the pensioner.

19. This is an entirely new section. As was explained in connection with section 11 the principle of insurance during the service was adopted in 1916 in so far as Canadian pensions were concerned. A number of accidents of various descriptions have occurred, and will continue to occur, in which the disability caused by the accident is pensionable and also entitles the soldier or sailor to damages or compensation from the person or company which was responsible for the accident. It is not reasonable that both pension and damages should be paid and the country, therefore, has reserved the right by this section not to pay pension unless the right to damages or compensation is assigned.

Example 1: A soldier is negligently run over by a street car and loses his leg. The street car company is liable in damages and the country must also pay a pension. Before pension is paid, however, the soldier must assign his right to damages to the country. If more is collected by the country than the capitalized value of the pension the soldier will receive the benefit; if less is collected the country will bear the loss.

Example 2: A one-legged pensioner is employed in a factory. Owing to this disability he falls in a machine and loses a hand. Seeing that the loss of the hand is due to the disability for which he is pensioned he is also pensionable for the second disability. Under the Workman's Compensation Acts in the various provinces he will also be entitled to compensation. Under this section he cannot receive both.

APPENDIX "C"

Ottawa 4, May 10, 1960.

Re: Sections 20, 21 and 22

On May 5, 1960 the N.C.V.A. presented a brief to the Standing Committee on Veterans Affairs. Recommendation 4. in this brief was with respect to Sections 20, 21 and 22 of the Pension Act. The brief did not contain any reference to the background underlying the sections and it occurred to me that the Committee might wish more information on this subject. I am accordingly attaching hereto a history which I prepared for the former Chairman under date of May 8, 1952. You will note that section is referred to therein as Section 18. It was so numbered until the 1952 revision from which it emerged as Sections 20, 21 and 22.

I am also enclosing a copy of a memorandum which I addressed to the then Chairman under date of January 21, 1957 in connection with representations that had been made by His Honour Judge Frank G. J. McDonagh to the Chairman in connection with these sections, the contents of which might also be helpful to the Committee.

In speaking to the latest recommendation, Judge McDonagh stated that some legal members of his organization were of the opinion that the sections were ultra vires by reason of Section 24(3) of the Act which provides, "No pension shall be assigned, charged, attached, anticipated or given as security, etc." I cannot arrive at the same conclusion as in my opinion the sections do not in any way contravene the provisions of Section 24(3). These sections are only operative if the disability for which pension was awarded arises from a tort or under circumstances in which Workmen's Compensation is payable and if the fruits of the action against the third party or the award of Workmen's Compensation payable is in excess of the pension that could be awarded, no pension is payable. Similarly, if the fruits or award of compensation are less than the maximum pension that could otherwise be paid, they are set off against such maximum award in order to determine the amount of pension that can be paid.

The purpose of the sections is to determine whether or not any pension can be paid and, if so, in what amount, and if the sections were strictly interpreted, the Commission would be justified in deferring any action towards making an award until such time as any damage action in connection with the tort had been brought to a conclusion or the claim for Workmen's Compensation had been finalized.

K. M. Macdonald,
Legal Officer.

THE CHAIRMAN

OTTAWA, May 8, 1952.

Re: Section 18 of the Pension Act

At the outbreak of World War II in 1939 Section 18 of the Pension Act read as follows:

"18. If a disability or death for which a pension is payable under this Act is caused under circumstances creating a legal liability upon some person to pay damages therefor, the Commission, as a condition to payment of the pension, shall require the pensioner to assign to His Majesty any right of action he may have to enforce such liability of

such person or any right which he may have to share in any money or other property received in satisfaction of such liability of such person.

2. The cause of action so assigned may be prosecuted or compromised by the Commission and any money realized thereon shall be paid into the Consolidated Revenue Fund of Canada.

3. Any money realized thereon in excess of the capitalized value of the pension awarded and the costs, if any, of the recovery shall be paid to the pensioner."

In December of 1939 the Commission wrote the Deputy Minister of Justice requesting advice on the following points:

1. Does Section 18 apply in cases coming within the jurisdiction of the several Provincial Workmen's Compensation Boards?

2. If the answer to '1' above is in the affirmative, would an assignment of rights in such cases be binding upon a Workmen's Compensation Board?

The Deputy Minister of Justice replied pointing out that under the provisions of the several Provincial Workmen's Compensation Acts a workman injured during the course of his employment has no right of action as against his employer or fellow workman which could be assignable within the meaning of the provisions of Section 18 of the Act. If, however, an accident happened to a workman in the course of his employment under such circumstances as entitled him or his dependents to an action against some person other than his employer or fellow workman, the workman or his dependents, if entitled to compensation under a Workmen's Compensation Act, may claim such compensation or may bring such action, and the workman or his dependents must elect within a prescribed period either to claim compensation or to bring the action. If receipt of compensation be elected and compensation is paid out of an accident fund, the Workman's Compensation Board is subrogate to the rights of the workman or his dependents and may maintain an action against the third party concerned.

In his opinion the only instance in which Section 18 of the Pension Act could possibly apply would be where the workman or his dependents elected to maintain an action. He pointed out there were practical difficulties about the application of Section 18 as follows:

1. In his opinion the intention and effect of the Section was to render legally assignable the right of action referred to, whether under the law of the province such right of action was assignable or not. There was a possibility that the courts might uphold the contention that Parliament intended the pensioner to assign to His Majesty only such right of action as he might have under the law of the province. The Section clearly had in contemplation a right of action *ex delicto*; yet under the law of each province (other than Quebec) a right of action *ex delicto* was not assignable. The decisions seemed to recognize the distinction that the fruits of such a right of action might lawfully be assigned. In the Province of Quebec it seemed that a right of action *ex delicto* against third parties might be assigned or transferred so as to subrogate the assignee to the rights of the assignor. Under the law of Quebec, as under the law of each of the other provinces, the fruits of a delictual action, i.e. the prospective damages or the judgment debt, might legally be assigned and such an assignment would, he apprehended, be consistent with the concluding words of Sub-section 1 of Section 18. This would seem to be the only kind of an assignment which might be taken under Section 18 compatibly with the laws in force in the various provinces.

2. An assignment to His Majesty of the fruits of a delictual action would give His Majesty no *locus standi* as a party to the action. Such action would still have to be maintained in the name of the assignor and he was not aware of any means available to the Crown to compel the assignor to maintain the action or to exert any control or direction over the course of the proceedings should the assignor maintain an action. Moreover, if His Majesty undertook as a term of the assignment to indemnify the assignor in respect of costs, the action might be tinged with maintenance or champerty and, if so, the assignment would be invalidated. (*Champerty*—a proceeding by which a person having no legitimate concern in a suit bargains to aid in or carry on its prosecution or defence in consideration of his receiving, in the event of success, a share of the matter in suit).

3. An infant child of a pensioner might become a pensioner under the Pension Act and under the laws of the provinces an infant child of a pensioner would have no capacity to give His Majesty a valid assignment under Section 18, nor could the child's father or mother or any other person on its behalf give any such an assignment unless appointed and authorized by the court as the child's legal guardian to give or make such an assignment. In the absence of an assignment so authorized on behalf of an infant child of a pensioner, His Majesty could not reach any share of the damages in a delictual action which might be awarded to such child.

For the above reasons the Deputy Minister was of the opinion that Section 18 in its then present form was really unworkable as it did not enable the purposes for which it was apparently enacted to be effectually carried out.

As a result of this opinion Section 18 was repealed by Chapter 23, 4-5 George VI, 1941, and the present Section 18, a copy of which is attached, substituted. It is to be observed that the present Section is broken down into three parts, namely Section 18 (1) and (2), Section 18A, and Section 18B (1), (2) and (3).

Section 18(1) provides that where a death or disability for which pension is payable is caused under circumstances creating a legal liability upon some person to pay damages therefor, any amount so recovered or collected by or on behalf of the person to or on behalf of whom such pension may be paid, shall be taken into consideration by the Commission in determining the amount of pension to be awarded.

Section 18(2) provides that the Commission may require an action to be taken to enforce the liability and that the Commission shall agree to indemnity for costs if an action is directed.

Section 18A deals with the procedure necessary in the event that the death or disability is caused under circumstances by reason of which an award of Workmen's Compensation may be payable.

Section 18B (1) provides the method by which the amount of pension payable shall be determined by taking into consideration the damages or compensation recovered and collected.

You will note that whereas the original Section provided for an assignment of a chose in action which as regards simple damages is not assignable in any province except Quebec, the present Section merely empowers the Commission in its discretion to require the applicant to pursue a claim for damages and, when the result has been accomplished, to take the damages recovered and paid into consideration in fixing the amount of pension that can be paid under the Act. The effect of the amendment was to remove any suspicion of

champerty which could arise under the old Section and the fact that the Commission was empowered to indemnify for costs could not be construed as maintenance in the legal sense in connection with the required damage action.

It is to be observed that the Commission, in any application in which Section 18 might apply, would be perfectly justified in deferring an award of pension until such time as any action involved or claim for compensation had reached a finality and, when this time arrived, determining the amount of pension that might be paid in the light of the damages or compensation recovered and collected. To adopt this course would, however, work a hardship on the applicant. In the experience of the Commission in cases of death the widow and children are usually left without adequate resources and in view of the fact that there might be considerable delay in an action coming to trial, to defer an award of pension pending the outcome of the action would work genuine hardship on the applicant. For this reason the practice of the Commission is to make an award if the circumstances justify and to direct that such award is made subject to future adjustment under Section 18 if it appears that the provisions of the Section apply in the particular case. This has the effect of relieving any immediate distress that the applicant might be suffering.

When the damages are recovered or compensation is awarded, the Commission review the award of pension and make the necessary adjustments.

In order that the capitalized value of widows' pension might be determined, the Commission requested the Department of Insurance to prepare a table based on the monthly pension that the Statute provides for a widow. In preparing the table the Insurance Branch considered the value of a monthly pension payable to a widow until death or until remarriage, together with a remarriage gratuity equal to one year's pension, and subject to restoration (discretionary in cases of need) of the pension in whole or in part in the event of again becoming a widow within five years after remarriage. This table is the basis used by the Commission in determining the amount of pension that can be awarded a widow who has recovered damages or received compensation.

In view of the fact that pensions for children are awarded for a term certain, i.e. until the child, if a boy, reaches the age of sixteen years or, if a girl, reaches the age of seventeen years, the method of computing the capitalized value of children's pension is to calculate the amount of pension that could be paid in accordance with Schedule A or B of the Pension Act from the date pension was first awarded until the children reach the respective age limits.

K. M. Macdonald,
Secretary.

THE CHAIRMAN

OTTAWA 4, January 21, 1957.

Re: Section 20, 21 and 22.

In accordance with your instructions I have studied the correspondence between His Honour Judge Frank G. J. McDonagh and yourself in connection with the above sections.

I note that Judge McDonagh states that the National Council, of which he is a member, will be recommending that these sections be deleted from the Act as the feeling of the Council was that what Parliament had in mind when the sections were passed referred only to consequential disabilities.

I regret that my study of the matter does not allow me to come to the same conclusion.

I note that in your letter of August 9, 1956, you quoted excerpts from the annotations to the original Pension Act, July 1, 1919, in which, after referring to the insurance principle, it was stated:

"A number of accidents of various descriptions have occurred, and will continue to occur, in which the disability caused by the accident is pensionable and also entitles the soldier or sailor to damages or compensation from the person or company which was responsible for the accident. It is not reasonable that both pension and damages should be paid" etc.

In this connection an example was quoted of an accident which was the primary cause of the disability and which would fall under the section.

If these sections were not in the Act the result would be that a serviceman who had suffered injury which, while incurred on service and pensionable under the insurance principle, was caused by the tortious act of a third person, would be placed in a preferred position to a serviceman who suffered a disability due to enemy action, this by reason of the fact that in the first case the man, in addition to being awarded pension for the full extent of his disability, could recover damages from the tortfeasor and retain such damages, whilst in the second case the only compensation the men could receive would be by way of pension. Similarly, the widow of a serviceman whose death occurred under such circumstances or the widow of a Classes 1 to 11 pensioner whose husband's death resulted from a tort or from an accident which involved payment of Workmen's Compensation would be placed in a preferred position.

To my mind it would seem to be established that this is a situation which Parliament desired to avoid.

In this connection it is interesting to recall a case in World War II where an airman was a passenger in a R.C.A.F. vehicle driven by a fellow airman met his death as a result of the vehicle, through the negligence of the driver, being struck by a train. Pensions was awarded the widow and her children as the death was incurred on service, and the widow subsequently commenced a damage action against Her Majesty on the grounds that the death was the result of the negligence of a servant of the Crown. The case was heard in the Exchequer Court and a judgment given in favour of the widow.

As a result of this action Parliament amended the Pension Act to provide that no action or other proceeding should lie against Her Majesty in respect of any injury, disease or aggravation thereof resulting in disability or death in any case where a pension was awarded or awardable by the Commission under or by virtue of the Pension Act or any other Act in respect of such disability or death.

As the basic principle underlying pension legislation was to provide for death or disability due to the hazards involved in preparing to engage or engaging an enemy in wartime, any other conclusion than that stated previously would seem to me to be unthinkable, and the case referred to above and the resultant action by Parliament bears this out.

K. M. Macdonald,
Secretary.

APPENDIX "D"

OTTAWA 4, May 10, 1960.

At the Meeting of the Standing Committee on Veterans Affairs on May 5, 1960, a request was made to put on the record the number of cases in which Sections 20 and 22 had been involved in the last five years and the amounts which the Pension Commission had collected over this period.

Attached hereto please find a return which shows that 42 cases in which pension was awarded as a result of accidental injury or death were considered during the years 1956 to 1960 inclusive. Of these 42 cases damages were collected in 21 cases and such damages required to be taken into consideration in calculating the amount of pension that could be paid. In the other 21 cases no action was indicated on the part of the Commission by reason of the fact that no tort was involved.

The total amount of damages involved in the 21 cases in which adjustments were necessary was \$192,014.54.

It might be pointed out that this total sum was not necessarily paid the Commission. When pension has been awarded as the result of an accident involving third party liability and damages are recovered, the applicant for pension is required to elect as to whether or not he wishes to retain damages up to but not exceeding the capitalized value of the pension that might otherwise be payable and forego pension or have pension reduced, or whether he wishes to turn over equivalent damages to the Commission and have pension put into payment without deduction.

The 21 cases covered by the return have all been dealt with in this manner, and in some the damages were turned over to the Commission whilst in others the applicant retained the corpus.

K. M. Macdonald,
Legal Officer.

STANDING COMMITTEE

CASES CONSIDERED UNDER SECTIONS 20 AND 22 OF THE PENSION ACT.

1956—No. of cases in which damages taken into consideration.....	2	
		\$ 1,489.30
		<u>14,000.00</u>
Total.....		<u>15,489.30</u>
No. of cases in which no action indicated.....	3	(5 cases)
1957—No. of cases in which damages taken into consideration.....	4	
		\$ 2,600.00
		4,401.36
		6,750.00
		3,456.25
Total.....		<u>17,207.61</u>
No. of cases in which no action indicated.....	6	(10 cases)
1958—No. of cases in which damages taken into consideration.....	9	
		\$ 3,000.00
		1,500.00
		14,450.00
		24,000.00
		603.00
		2,100.00
		5,200.00
		18,000.00
		700.00
Total.....		<u>69,553.00</u>
No. of cases in which no action indicated.....	3	(12 cases)
1959—No. of cases in which damages taken into consideration.....	4	
		\$ 1,500.00
		40,000.00
		3,278.00
		3,669.50
Total.....		<u>48,447.50</u>
No. of cases in which no action indicated.....	6	(10 cases)
1960—(to date)—No. of cases in which damages taken into consideration....	2	
		\$28,500.00
		<u>12,817.13</u>
Total.....		<u>41,317.13</u>
No. of cases in which no action indicated.....	3	(5 cases)

No. of cases considered—42.

Total amount taken into consideration—\$192,014.54.

APPENDIX "E"

CANADIAN CORPS ASSOCIATION
DOMINION COMMAND

201 Niagara Street, Toronto 2B, Ontario

March 23rd, 1960.

To the Members of the Standing Committee on Veterans Affairs,
c/o House of Commons,
Ottawa, Ontario.

Gentlemen:

The Canadian Corps Association was very pleased to learn from Mr. G. W. Montgomery, Q.C., M.P., Chairman of the Veterans Affairs Committee, that, although the Pensions Act will not be considered by this Session of Parliament, there will be amendments in the War Veterans Allowance Act.

As the Veterans Affairs Committee is aware, the Canadian Corps Association's Brief, presented to your Committee last year, recorded amendments and additions which we feel are so necessary to the War Veterans Allowance Act. As none of these suggested Canadian Corps' amendments and additions were implemented, from our last year's Brief, we feel that rather than a personal appearance before the Veterans Affairs Committee, that a record again of our various Resolutions on War Veterans Allowance would better serve the veterans of Canada and would give your Committee written material for study rather than a hurried presentation.

Your earnest consideration of the Canadian Corps Association Dominion Command's recommendations in connection with the War Veterans Allowance Act, recorded herewith, will be sincerely appreciated by the Officers, Directors and Members of this Organization and all veterans in general.

Respectfully submitted,

Stanley Harpham,
DOMINION PRESIDENT.

Stanley Harpham/mm.

c.c. to the Members of the House of Commons for their information.

CANADIAN CORPS ASSOCIATION, DOMINION COMMAND
RESOLUTIONS ON WAR VETERANS ALLOWANCE
MARCH 23rd, 1960

RESOLUTION NO. 1

BE IT RESOLVED that the Standing Committee on Veterans Affairs recommend the amendment of the World War I service requirement for War Veterans Allowance in order that the First War Veterans will qualify on exactly the same basis as the Veterans of World War II, abolishing the present requirement of 365 days in the United Kingdom prior to November 12th, 1918 for Veterans of World War I.

COMMENT—Those of us, engaged in Veterans Welfare Service, know only too well the hardship which has resulted from this 365 day overseas requirement for World War I Veterans. Many cases, requiring hospitalization and treatment and vital income, have resulted in the death of the Veteran, because of the lack of these services. Many with two to five years of voluntary

service, who were available for overseas duty, but not called to such service except for shorter periods, towards the end of the war, have, and will continue to suffer unless this service requirement is adjusted. Case histories can be furnished by the Canadian Corps Association to verify these facts.

Those who crossed overseas in World War I, exposed themselves to the same dangers, in the ocean crossing, as those of World War II. Camp facilities in World War I were not nearly so adequate as those of World War II, and some disabilities can be traced back to these conditions. In any event, there is no JUST reason for any differentiation between the Veterans who served voluntarily in the two major Wars. Further, it is actually easier to qualify Allied Veterans of World War I in many cases than those of our own Forces.

RESOLUTION NO. 2

BE IT RESOLVED THAT THE WAR VETERANS ALLOWANCE BE INCREASED TO THE EXTENT OF 33-1/3% (thirty three and one third per cent), FOR MARRIED AND SINGLE RECIPIENTS.

RESOLUTION NO. 3

BE IT RESOLVED THAT the present WAR VETERANS ALLOWANCE PERMISSIBLE INCOME of male and female recipients and orphans, be increased as follows:

For *Single* recipients from \$1,080.00 per annum to \$1,500.00; for *Married* recipients from \$1,740.00 per annum to \$2,100.00.

COMMENT—War Veterans Allowance Single ceiling, if raised to \$1,500.00, would permit the recipient to receive the old age Pension without any reduction to his Allowance. Elevating the Married rate to \$2,100.00 would allow the receipt, by either the recipient or his wife, of Old Age Pension at the present rate.

RESOLUTION NO. 4—AMENDMENT TO THE TREATMENT ACT

The portion of the Treatment Act, which we request the Government to amend is Sub. Para. (i) of subsection (1) of Section 13—which, as amended by Order in Council 1959-948, July 22nd, 1959, presently reads:—

“(i) in World War I, or in World War II, in any of His Majesty's Forces other than those of Canada, or in any of the Forces of His Majesty's Allies, or of the Powers associated with His Majesty, and who was resident of Canada or Newfoundland on August 4th, 1914 (World War I) or on September 1st, 1939 (World War II) or was domiciled in Canada or Newfoundland at the time he joined such Forces for the purpose of such War, or was not resident or domiciled but was resident in Canada or Newfoundland for a total period of at least ten years, and who, in any case, is receiving pension for a disability related to such service, or had overseas service and was honourably discharged”.

This cover Imperials and Allies . . .

The Canadian Corps Association RESOLVES that this Section be further amended to read:

“In any of His Majesty's Forces, INCLUDING those of Canada, and the words *OR HAD OVERSEAS SERVICE* be deleted, to read—and who served a minimum of 365 days in active service, inside or outside of the boundaries of Canada, or Newfoundland, and was honourably discharged.”

Resolution No. 5

Resolved that, Imperial and Allied Veterans of World War II shall, upon residence in Canada for ten consecutive years, qualify for War Veterans Allowance on the same service basis as Veterans of World War I.

Comment—Veterans of Her Majesty's Forces other than those of Canada, and of those Forces allied to Her Majesty's Forces in World War I, qualify for War Veterans Allowance upon having attained ten consecutive years residence in Canada, providing other qualifying service requirements are met. This does not cover Veterans of World War II of similar Forces. This can, and does create hardship among older veterans of World War II who, after immigrating to Canada, meet with misfortune or ill health.

Resolution No. 6

Be it resolved that the War Veterans Allowance Act be amended to grant eligibility to Ex-service women, who served in World War II for not less than 365 days, of single status or widowed, without domestic support, or self-maintenance who, although with every willingness volunteered for Theatre of War Service, were not called to such service, and now have reached the age of 55 years.

Comment—A very small percentage of Women who served in the Armed Forces of Canada were assigned to overseas service in World War II, although all offered unlimited service. There was a marked difference between the service man in World War II proceeding overseas, who had no choice, providing he was physically fit, and the system concerning overseas service for women. A quota was established for service women and very few were so assigned.

War Veterans Allowance District Authorities could examine each applicant's circumstances in respect of the need, according to the regulations.

Resolution No. 7

Be it resolved that the practice by the Department of Veterans Affairs, of reducing the allowance of married War Veterans Allowance recipients, while in Department of Veterans Affairs hospitals be discontinued.

Comment—The reduction in living expenses while a veteran is hospitalized is not as high as Department of Veterans Affairs' officials believe, as the wife encounters extra travelling expenses in hospital-visiting the veteran and also tries to provide some thoughtful comforts for her husband out of her already too meager allowance. Also, the high expenses of the married couple such as rent, insurance, public utilities, etc. are not in any way reduced by the absence of the hospitalized husband. The only item showing a reduction is food and because of the limit of the allowance, only the barest necessities are purchased in this connection as the allowance recipient has insufficient money for food once rental, etc. are paid during any month.

Resolution No. 8

Be it resolved that the casual earnings allowed to War Veterans Allowance recipients be increased to \$840.00 per year and that the Act show the amount allowed per year not per month.

Comment—The Canadian Corps Association has a record of many School Crossing Guards on War Veterans Allowance, who earn their casual earnings during a ten-month period, and are penalized \$10.00 each month by the reduction of the War Veterans Allowance during the 10 work months, even though the total amount casually earned during the year by them, is equal to that allowed by the Department of Veterans Affairs for a 12-month casual earner, who earns \$50.00 per month, which still is the same yearly total of \$600.00.

Elderly War Veterans Allowance recipients should be encouraged to hold casual earnings employment for such activity keeps them young in mind and

healthier—they should not be discouraged by unnecessary technical reduction in the already too low War Veterans Allowance.

In addition to elevating the casual allowance ceiling from \$600.00 to \$840.00, the Canadian Corps Association urges that the casual earnings be allowed on a yearly basis rather than recording it as so much per month.

Resolution No. 9

Be it resolved that the amount applied, according to the regulations of the War Veterans Allowance Assistance Fund, should be reviewed and based on a determined sliding scale, where the circumstances warrant, from the sum of \$240.00 per annum single, to \$500.00 per annum, and from \$360.00 per annum married, to \$500.00 per annum.

HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament



VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESO.

MINUTES OF PROCEEDINGS AND EVIDENCE

No. 9

THURSDAY, MAY 19, 1960

WEDNESDAY, MAY 25, 1960

THURSDAY, MAY 26, 1960

ESTIMATES OF THE DEPARTMENT OF
VETERANS AFFAIRS 1960-1961

Including Second Report of the House and Index to Items

WITNESSES:

Mr. L. Lalonde, Deputy Minister, Department of Veterans Affairs; and from the Soldier Settlement and Veterans Land Act Administration, Messrs. R. W. Pawley, Director; A. D. McCracken, Senior Administrative Officer; H. C. Griffith, Superintendent, Construction Division; W. Strojich, Superintendent, Property Division; C. Scott, District Superintendent, Atlantic Division; from the Army Benevolent Fund, H. C. Chadderton, National Secretary.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.,

Vice-Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Garland	Parizeau
Batten	Herridge	Peters
Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler.
Fortin	Ormiston	

J. E. O'Connor,
Clerk of the Committee.

REPORT TO THE HOUSE

The Standing Committee on Veterans Affairs has the honour to present the following as its

SECOND REPORT

On Tuesday, February 16, 1960, your Committee was constituted by an order of the House and empowered to examine and inquire into all such matters and things as may be referred to it by the House, and to report, from time to time, its observations and opinions thereon. It was also given the power to send for persons, papers and records.

On Tuesday, March 1, 1960, Items numbered 457 to 482 inclusive and 495 to 497 inclusive of the Main Estimates 1960-61 relating to the Department of Veterans Affairs were referred to the Committee.

Your Committee has held eleven meetings and made a careful study of the estimates, approves them, and recommends them to the House for approval.

During its consideration of the estimates, your Committee received the benefit of assistance from the Minister, the Honourable Alfred J. Brooks, his Deputy, Mr. Lucien Lalonde, and senior officers of the Department. Assistance was also received from the Chairman of the Canadian Pension Commission, the Deputy Chairman, the Chairman of the War Veterans Allowance Board and the National Secretary of the Army Benevolent Fund.

Your Committee was impressed by the evidence given by officers of the Department, of the operations of the various divisions and the manner in which veterans' legislation is administered. It was particularly gratified to note that due to a reorganization of the Department's administration, increased efficiency with an economy in the number of positions has been achieved.

The Committee learned that one of the principal services of the Department, namely Treatment Service, has continued throughout the past year to provide medical treatment and hospital facilities for veterans, second to none in Canada. Improvement was noted in the problem of providing treatment to veterans in the Yukon as a result of the opening, in April of last year, of the new federal hospital at Whitehorse.

Your Committee also was informed that Treatment Service has benefited financially to some extent by the participation of nine out of ten provinces in the National Health Insurance Program.

The value of the existence of a Standing Committee on Veterans Affairs was once again demonstrated by the continued interest shown by veterans' organizations in the submission of briefs, and the appearance before the Committee of delegates who put forth their organizations' views.

Representations and briefs were heard or received from the following organizations:

Canadian Non-pensioned Veterans' Widows Association
Canadian Chiropractic Association
War Amputations of Canada—Dominion Council

Newfoundland Overseas Forestry Association
Canadian War Disability Pensioners' Association
Canadian Corps Association—Dominion Command
National Council of Veteran Associations in Canada

The views of these organizations as expressed to the Committee now form a part of the printed record, and your Committee is confident that they will be of valuable assistance to the Government in its review of policies affecting veterans' legislation.

A copy of the Minutes of Proceedings and Evidence is appended.

Respectfully submitted,

G. W. MONTGOMERY,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, May 19, 1960.
(10)

The Standing Committee on Veterans Affairs met at 11.18 a.m. this day. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Batten, Beech, Carter, Clancy, Dinsdale, Fane, Forgie, Herridge, Jung, Lennard, MacEwan, MacRae, Montgomery, Parizeau, Pugh, Rogers, Speakman, Stearns, Thomas and Weichel.—(20)

In attendance: Mr. L. Lalonde, Deputy Minister of Veterans Affairs; Mr. F. T. Mace, Assistant Deputy Minister; Mr. G. L. Mann, Chief, Special Services Division; Veterans Welfare Services; Mr. G. S. Way, Chief, Information Services; Mr. J. G. Bowland, Research Adviser; Mr. J. E. Walsh, Director, Finance, Purchasing and Stores; Mr. C. F. Black, Departmental Secretary; from *Soldier Settlement and Veterans Land Act Administration*: Messrs. R. W. Pawley, Director; A. D. McCracken, Senior Administrative Officer; H. C. Griffith, Superintendent, Construction Division; W. Strojich, Superintendent, Property Division; C. Scott, District Superintendent, Atlantic District; from *the Army Benevolent Fund*: Mr. H. C. Chadderton, National Secretary.

Following an announcement by the Chairman of plans for the Committee to visit veterans' hospitals in the Montreal area on Wednesday, May 25th, Item 470—Grant to Army Benevolent Fund—was called and Mr. Chadderton introduced.

Mr. Chadderton explained the function of the Fund and answered questions regarding its past years of operation.

Item 470 was adopted.

Item 475—Administration of Veterans Land Act and Soldiers Settlement, etc., was called and Mr. Pawley introduced.

Following a statement by Mr. Pawley, reviewing the operations under the Soldiers Settlement and Veterans Land Act and the relationship between his organization and the Farm Credit Corporation, he was questioned.

Messrs. Lalonde, McCracken, Griffith and Scott also answered questions in relation to Item 475.

Following further discussion Items 475 to 482 inclusive and Items 96 and 97, were adopted.

Item 457—Departmental Administration—was again called and adopted.

The Chairman thanked all witnesses who have assisted the Committee in its consideration of the Department's estimates and announced that at its next meeting a Report to the House would be discussed.

At 12.50 p.m. the Committee adjourned to the call of the Chair.

J. E. O'Connor,
Clerk of the Committee.

STANDING COMMITTEE

THURSDAY, May 26, 1960.

(11)

The Standing Committee on Veterans Affairs met *in camera* at 11.50 a.m. this day. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Batten, Beech, Carter, Fane, Forgie, Herridge, Lennard, Macdonald (*Kings*), Matthews, Montgomery, Parizeau, Robinson, Rogers, Speakman, Stearns, Thomas, and Webster—(17).

A draft report was presented by the Subcommittee on Agenda and Procedure and following its consideration and amendment, was adopted and the Chairman ordered to present it to the House as the Committee's Second Report.

At 12 o'clock the Committee adjourned to the call of the Chair.

J. E. O'CONNOR,
Clerk of the Committee.

Visit of Members of the Standing Committee on Veterans Affairs to Queen Mary Veterans Hospital at Montreal, and St. Anne's Hospital at Ste. Anne de Bellevue, Quebec

WEDNESDAY, May 25, 1960.

The following members of the Committee met at the Ottawa Union Station at 7.50 a.m. this day for the purpose of visiting Veterans Hospitals in the Montreal area:

Messrs: Batten, Beech, Carter, Herridge, Montgomery, Pugh, Robinson, Rogers, Stearns, Stewart, Thomas, and Webster.

Members of the Committee accompanied by Mr. Lucien Lalonde, Deputy Minister, Department of Veterans Affairs, and Dr. J. N. B. Crawford, Director General of Treatment Services, travelled by train to Montreal West where they were greeted by Colonel Hague, District Administrator, and transported by bus to Queen Mary Hospital.

Members were divided into three groups each touring certain departments of the Hospital.

At approximately 3.30 p.m. the Members departed by bus for St. Anne's Hospital where they were conducted through the principal buildings and wards by senior officers of the staff.

Following a visit to Senneville Lodge, Members returned to Ottawa by train.

J. E. O'CONNOR,
Clerk of the Committee.

EVIDENCE

THURSDAY, May 19, 1960.

11:00 a.m.

The CHAIRMAN: Gentlemen, if you will come to order now, we will open our meeting. This is the first time that we have had to wait in order to get a quorum: this has been one committee that has been very prompt. I know there have been a lot of committees meeting, and there is possibly good excuse for some of the members not being able to get here at the appointed hour.

Last day we stood item 470, grants to the army benevolent fund. That was stood because some members might wish to ask some questions about this fund.

We have with us today Mr. H. C. Chadderton, national secretary of the fund. Mr. Chadderton, you will remember, was to be here last day; but he had to go to hospital for an emergency operation. I must say that I am glad he is looking as well as he is and is able to be back from hospital and feeling pretty well. But I thought we would start with him first, so that if we tire him, he would have a chance to get away.

Therefore, gentlemen, it is item 470, and you will find it on page 81. Are there any questions?

Mr. HERRIDGE: Mr. Chairman, as this is an important fund, perhaps the witness could give us some idea of the amount of the fund and the general working.

Mr. H. C. CHADDERTON (*National Secretary Army Benevolent Fund*): Mr. Chairman and gentlemen: I might say that in the army benevolent fund we do appreciate the opportunity this year to come before the parliamentary committee and give you some brief information on the army benevolent fund, simply because we think that one of our major problems is the problem of communication. We publish a 40-page annual report each year; but it is only one of many reports that are published and circularized, and we cannot hope that every person interested in veterans' matters is going to read this report.

The main thing I would like to mention is the fact that the army benevolent fund started some 11 years ago with roughly \$9,200,000, and at the end of the fiscal year, March 31, 1959,—that is the last official figure I have—we had some \$7 million left. Therefore, we had spent something over \$2 million. In addition, in that 11-year period we had received revenue from our interest of pretty nearly \$3 million. So in our 11-year period we have spent \$5 million from the fund. We had, at the end of the last fiscal year, some \$7 million left; but we still have a 19 or 20-year period to go through before we finish the actuarial spread that the board decided upon at the start.

I would like to say a word about our committees, if I may, because this is one of the significant things about the army benevolent fund. I think that most members will know that we have a voluntary board, and we have a system of voluntary committees across Canada. These board members and committee members have been with us pretty well all along, right from the start, and these people are lawyers, doctors, professional men—busy men, and they are quite prepared to give up an evening or an afternoon to do this

type of work. I think that is probably one of the significant things about the army benevolent fund; and to me, anyway, it is one of the guarantees that the work that is being carried on must be worth while.

Another thing I would like to mention is that our fund does not deal in hand-outs. We started out 11 years ago to develop a policy under which we made large grants, approximately \$200 to \$300—sometimes more than that—in an attempt to solve the whole problem of the veteran. If he comes in, and his immediate need is a grocery order, we say that is the immediate need, but what is the over-all problem; and we try to dig that problem out and come up with a solution, such as employment, housing, training or something of that nature. I think that has been the chief thing that we have done in developing this policy.

We operate under an act of parliament, of course, as a separate entity from the government. We deal very closely with the Department of Veterans Affairs; we work with the welfare services branches throughout the country, and we also cooperate with veterans organizations and social welfare agencies. So that although we are a sort of skeleton organization—we have a head office and we have an office in each province—spreading out from that, we have these other agencies, including D.V.A., which give us help and we have a very wide coverage right throughout the country. We also have a committee in the United States, and one in London, England, for overseas.

We are up against a problem, in the minds of our board, with regard to administrative expense. The board agrees to spend roughly \$75,000 a year for the salaries of our executive people. We have three at Head Office and a secretary in each province, and in some places we have to hire stenographers and clerical assistance. But by far and large, in the provinces we use the facilities of D.V.A. on what you might call an unofficial basis.

This has been a growing problem, because the board felt that we could not afford to spend too much money out of the fund for administration. Consequently, in 1955 the government approved an administrative grant for us of \$8,000. This situation was reviewed last year, and the grant was increased from \$8,000 to \$18,000—and this is the item which you are asked to discuss today, the renewal of this \$18,000 grant.

I will just end by saying that in our minds the justification for a grant of this type from the government for the army benevolent fund is, first of all, the fact that we operate under an act of parliament and, in effect, our board administers this act in accordance with the wishes of parliament.

The second justification is the fact that what we are doing is an extension of the government's program for veterans. Nearly every army benevolent fund case is a case in which D.V.A. has a basic interest; but it is a case in which the government cannot spend money, because there is no legislative authority for the payment of medical bills, transportation, or something of that type. So that in effect we feel we are filling in the gaps in the government program and, consequently, for that reason perhaps some assistance to our fund from the government is justifiable.

I finalize this, Mr. Chairman, by saying that in the 11 years of operation we have granted assistance to 22,500 World War II army veterans. This means we have another 20 years to go, and in the full 30-year period of the operation of the fund we will have been able to assist some 60,000 veterans: that is roughly 10 per cent of the World War II Canadian army.

We feel that this work is worthwhile, and we feel it is of value to the veteran. We would simply say that, in view of this, we would like to ask for the support of the government in connection with this \$18,000 grant. That is a very skimpy, broad outline; but while I am here, I certainly hope you will take advantage of asking me any questions that you might wish to ask.

Mr. CARTER: Mr. Chairman, I did not quite get the reason which the witness gave for increasing the grant from \$8,000 to \$18,000.

Mr. CHADDERTON: The increase from \$8,000 to \$18,000 came about this way, Mr. Carter. Our board requested the government to review this matter during the 1957-58 fiscal year. We pointed out that the \$8,000 which was originally given to us to hire four stenographers in cities where D.V.A. does not provide us with help was simply not enough, and that we had to hire stenographers at head office.

We also pay to the federal government a rental charge of \$2,860; and these costs were all additional. Therefore, on that basis we asked for the grant to be raised, and it was raised.

Mr. CARTER: It is purely administration costs?

Mr. CHADDERTON: Yes.

Mr. HERRIDGE: It is only a portion of your administrative costs?

Mr. CHADDERTON: Yes; our board, as I say, spends roughly \$75,000 a year of the fund for its own executive staff and travelling expenses; things of that type. So with the help from D.V.A., and this government grant, we can get the other things that we need in our office, such as stenographers, office furniture and other office help.

Mr. HERRIDGE: Mr. Chairman, a great many members read these minutes, and while I expect most of the members know this procedure, would the witness mind explaining to the committee how a person in distress goes about making an application to the board; and could he give us an illustration of the typical case, the type of case they intend to serve.

Mr. CHADDERTON: Yes. The application procedure works this way: the veteran would take his problem to someone in his community. It could be a Legion branch, or any other veterans organization; it could be a branch of the Canadian cancer society, or something of that type. These organizations know the existence of the army benevolent fund, and if there is a D.V.A. district office in the vicinity, they will usually refer the man to D.V.A. If there is no D.V.A. office in the vicinity, they will complete a screening form, which they have, and they will send that in to the army benevolent fund. Then we, in turn, will ask the D.V.A. to complete the application.

In certain instances, particularly in large branches of veterans organizations, they complete the applications themselves, as do the social welfare agencies, who have a trained staff. But certainly 75 per cent of our applications are taken by the Department of Veterans Affairs. The D.V.A. people, or social welfare agency people, or whoever it is who completes the application, sends it to our committee secretary, who screens it. Then our secretary gets in touch with the hospital, or any other organization that may be involved in the case; he works out a complete plan of assistance for the man; he puts that plan before our committee and, if the committee agrees, we grant the money, either to pay creditors, pay for training, transportation, or whatever his requirement is.

I would mention at this stage that one of the very large responsibilities our people have is to settle accounts. The average debt situation that we get in cases is around \$1,800, so we have arrangements with creditors under which we can go to the creditor and ask him to take 50 cents on the dollar. All creditors will agree to that: we do not have any turned down. This is worth something like \$300,000 a year in our business.

Another thing that our secretary does in his case work is to get other agencies in, because we believe a veteran is a citizen of the community, the same as any other citizen, and he is just as entitled to assistance from any organization as the non-veteran. Therefore, we go to other agencies and get

them into the case too. Then we tie the whole thing together, spend the money, set the plan up before the veteran and say to him, "Here you are".

The typical kind of case would be, certainly, where a veteran's wife is suffering from serious illness. We would, in a case of that nature, have to make arrangements to bring, say, the multiple sclerosis society into the case. We may have to take over some of the debts already accumulated. We may have to bring into the house a home-maker to look after the children because the wife is unable to do so. We spend this money, set up the complete plan, and we also arrange for a follow-up in a serious type of case like that, to ensure that the situation does not go astray again.

Another typical case, of course, is that of a widow. When a veteran dies, we usually find out about it, and if the widow is in financial distress we try to arrange some type of plan under which she can receive an income. We provide her with a training course for employment, for instance, or we perhaps renovate the upstairs of her house so that she can rent that and receive income from the rental. These would be typical cases.

Mr. HERRIDGE: Mr. Chairman, I have a question to ask in view of the fact that the witness mentioned that they were able, in many cases, to get creditors to accept 50 per cent of the amount owing.

I know of a case where the veteran was a logger, and owing to his wife's illness he was unable to pay the income tax branch. He owed them \$1,300. Do you think you could use your influence in that respect?

Mr. CHADDERTON: I am afraid the only thing we might do in that case would be to try and settle some of his other accounts. We budget these people, and we would say that the very maximum amount he could afford to pay the income tax branch would be \$17.50 a month. We would tell him to go down and see them and make this arrangement to pay it off in due course. But we have so far been unsuccessful in settling debts with the crown except—and perhaps I should not mention this—D.V.A. treatment accounts.

Mr. HERRIDGE: You have settled some of the crown accounts at 50 cents on the dollar?

Mr. CHADDERTON: I would not say at 50 cents on the dollar. It would depend on the circumstances. But we have been able to settle debts in relation to D.V.A. treatment accounts; and with the Department of Justice, where there is no chance, perhaps, of getting the money in full.

Mr. HERRIDGE: In this case, if I were to refer the veteran to you, you may be able to help him get deferred payments, or something of that nature?

Mr. CHADDERTON: We would probably attempt to pay some of his other accounts and, where we could, get a negotiated settlement; and leave him in the position where he could pay off his own income tax because of his improved circumstances.

Mr. WEICHEL: Mr. Chairman, I would like to ask Mr. Chadderton a question in regard to the fund. You mentioned that as a rule it may be \$200 or \$300 that you give out. Has any veteran ever received, say, \$2,000, \$3,000 or \$4,000 on this?

Mr. CHADDERTON: No, the maximum grant we have made in our 11 years is \$1,000. I would like to explain that, because it may sound a little cold-blooded. If a veteran had a problem which was assessed up to \$3,000 or \$4,000, I think we could solve it for him. We would certainly spend maybe \$1,000 of our own money. But if it were that serious, we would not have so much trouble getting other agencies to come in on the case. That would be the general plan under which we would attack the case.

Mr. WEICHEL: The reason I mention that was that a veteran in Waterloo—I do not know just what fund he claimed under; but I believe he had quite

a bit of sickness and he was in debt up to \$6,000 or \$7,000. He was helped. I am just trying to figure out what fund he might be able to be helped by.

Mr. CHADDERTON: Well, it is not unusual for us to get a case where the debts are \$6,000 or \$7,000, but we do not feel the solution would be to make a grant of that type. We may counsel a man, and assist him to make an assignment in bankruptcy, if it is that serious. Of course, that takes some explanation. You do not put them through bankruptcy, if it is not a good case.

Mr. WEICHEL: I think that course was taken by this veteran.

Mr. CHADDERTON: Or, we may set the case up with a lawyer, make a composition of the debts, and have the repayments spread over seven or eight years. This gives him protection from legal action, and solves the case.

Mr. PUGH: Are there many, what you might call "repeaters"?—a veteran who is in trouble, you clear it up, and he is back on your doorstep again.

Mr. CHADDERTON: The closest figure I can give you is this. We have about 200 a year, and we handle, roughly, 3,000 cases a year. However, in many of these cases, he is not a repeater because of the same problem. In many cases he is a repeater because, when we had the case before, he had a child who was ill, and now it may be the veteran, himself, who is sick.

Mr. PUGH: You mean there might be 200 a year, who are back again?

Mr. CHADDERTON: Oh, yes.

Mr. PUGH: Are many of them there, say 2 years in a row, or 3? Do you finally get them back on their feet?

Mr. CHADDERTON: I think the batting average, as we call it, is fairly good because, when we deal with a case, our committees are required to ensure that there is an assurance of a solution, that they have gone into it pretty thoroughly, looked into the future, and say: this expenditure will, in effect, solve this case. Naturally, you are not correct all the time, but there are not many coming back with the same problem. Of the 200 we get each year, who have had previous assistance, there would be 150 of them who have a brand new unexpected contingency, and something we did not foresee.

Mr. HERRIDGE: May I say that your batting average, in that respect, as far as veterans is concerned, is considerably less than the batting average by very many social welfare departments handling assistance.

Mr. CHADDERTON: Yes, but we are handling a different type of case. The type we assist is the fellow who has a job and has his normal living problems solved, but who has been hit by some unexpected contingency, which he cannot finance. We close that gap and deliver him on his way.

Mr. BEECH: What is the amount given out in grants each year by the fund?

Mr. CHADDERTON: As an average, \$500,000.

If we are to remain in business for the full 30 years, as planned, with another 20 years afterwards in which we will spend little money—and it is basically a 30 year plan—but if we were to remain in business those 30 years, we should spend \$473,000 a year, which includes our administrative costs. We have been spending quite a bit more than that in recent years but, of course, in the earlier years of the development of the fund, we did not. Our expenditure last year was \$530,000. Therefore, we are considerably over. We are \$75,000 over what we should spend. However, in the long run, we are only overspent for the first 11 years of the fund, something like \$600,000.

Mr. BEECH: The thing that occurred to me is this. It seems that a lot of the funds are used up in administrative costs, and I am wondering because of the fact we have organizations like the legion and so on, whether you could not use their facilities and, thereby, cut down some of these costs. \$75,000 for a \$500,000 expenditure seems quite high.

Mr. CHADDERTON: In addition to the actual \$500,000 which we spent, as grants, I would like to introduce two other figures—and that is from other sources. Last year we obtained \$126,000, and the value of our negotiations with creditors was \$323,000. Consequently, although it cost \$75,000 of the fund for administration, the benefit to the veteran was not restricted to the actual amount of money granted—this \$500,000. He had the benefit of the reductions and the benefit of assistance from other sources.

If we discontinued this type of work, there is no question that all we could expect to have for him is that if he had a \$500 problem, it would cost us \$500 to solve it, and I do not think the veteran would be as well off.

Mr. BEECH: In connection with the veteran these days, I do not think people should have to go to merchants and other people, and obtain cut rates. I think we should get away from that kind of thing now.

Some hon. MEMBERS: No, no, no.

Mr. BEECH: I do not think the veterans should be made objects of charity. I think we should get away from that kind of thing now.

Mr. CHADDERTON: Of course, there is an area here, which could easily be understood. When we approach a doctor, a hospital, or a finance company, and negotiate a settlement, it is not done on the basis of soliciting charity for the veteran; it is done on a business basis. We have arrangements with these organizations, and they are quite happy and quite prepared to accept an immediate settlement from us, rather than take their chance on getting their money from the welfare case over a long period of time. But, mark you, we are not the only organization that does this. This is a standard procedure in welfare work. However, I never heard of any serious criticism from the creditor on this score. The type of thing we get back from the creditor is: we are very pleased to cooperate, and pleased to think that there is an organization which is assisting this unfortunate family through their temporary emergency. And, I think they point out that word "temporary", because they like to think that our policy is to put the man back on his feet, where he is, from then on, a wage earner and a fully accepted member of the community. There is no charitable point of view to it at all.

Mr. MACEWAN: Mr. Chairman, I would like to ask two short questions.

When an application is made—for instance, when a veteran is back in taxes on his property, or something like that—is it an official of the fund from the district that goes and interviews the veteran, and so forth?

My next question is this. I understand the cheques to creditors are made payable to creditors?

Mr. CHADDERTON: Yes. The answer to your first question is that the interview would be carried out by an officer of D.V.A., V.L.A. or the unemployment insurance commission—or, in some isolated cases, by an official of a veterans organization or social welfare agency.

Secondly, the cheques in payment through the army benevolent fund are always issued direct to the creditor, or to the supplier if you are purchasing services such as transportation.

Mr. ROGERS: Apart from making an actual grant, I would like to ask Mr. Chadderton whether they make loans that are repayable?

Mr. CHADDERTON: No sir. The Army Benevolent Fund Act prohibits our organization from making loans. We also wish to add that in our study of what we are doing, our board does not feel that it would wish to make loans. We feel that our job in welfare is to do the case work, set the case up, make a grant to pay that portion of the debt which the man cannot handle, and then set up a plan under which the man can use his surplus income to pay off the balance of his accounts. That is where we differ from the naval and air force benevolent

funds—and this is only a very minor difference. We work hand in glove with them, but we differ in that regard. We do not make loans to consolidate debts.

Mr. HERRIDGE: I want to support what Mr. Chadderton said, and to say that all these people have been very pleased to assist in those cases where veterans get into trouble. I have known of first class men who, because of illness, have gone on the rocks, through no fault of their own. I am glad we have humane men in business, in the department, and in the board, who take that point of view.

Mr. DINSDALE: On the point raised by Mr. Rogers, if assistance toward some business enterprise was needed by the veteran, would you operate along those lines as well?

Mr. CHADDERTON: Yes, we certainly do.

I have two specific examples. Recently, in Nova Scotia, we bought a man a horse, because he had a small plot of land, and he had a debt situation. The welfare officer came up with a solution that if he could get a horse it would allow him to draw the logs out of the bush, and his whole problem would be solved. And we said: yes, by all means.

That would be the ridiculous—and going to another extreme, we quite often make grants to such people, say in the trucking business, who are under retarded rehabilitation. The government and Department of Veterans Affairs did everything possible for World War II veterans but, notwithstanding that, even 15 years after the war, a veteran could run across a problem, which means that everything anyone has done for him is in jeopardy—and we say: let us give him a second chance. It is usually connected with training or assisting him, say, with a trucking venture.

Mr. CARTER: I was wondering if the witness has any breakdown by provinces of the cases he handled during the past year, or during any period of time?

Mr. CHADDERTON: Yes. The way to introduce these figures, which would be the most value to the committee, would be to say this. In Ontario, there are roughly 37 per cent of the World War II army veterans, and we spend approximately 25 per cent of the money on those veterans. In the maritime provinces, with the exception of Newfoundland where, of course, we have very little by way of an A.B.F. operation, we have approximately 18 per cent of the veterans, and there we spend roughly 27 per cent of our money. In all the other provinces the expenditure is, more or less, even with the number of veterans.

This comes about, sir, by reason of the national policy. In other words, the veteran in Prince Edward Island would get the same treatment as a veteran in Toronto, Vancouver and Montreal. We spend a little less in Ontario and a little more in the maritime provinces.

As you know, we can assist only those veterans in Newfoundland who served in the Canadian army during the second world war. Inasmuch as there are not too many of them, we do not get too many applications from Newfoundland—about 5 or 6 a year.

Mr. CARTER: That is the point I wanted to bring out—that Newfoundland veterans are debarred from any assistance from that source.

Mr. CHADDERTON: Yes, because they did not serve in the Canadian army as such and, therefore, there would be no contribution to our fund made on their behalf.

I might add that my board is extremely sympathetic with this problem. We have been dealing with the Legion, and other people there, in regard to the situation. However, we are debarred under the act, and under the very

logical situation that the veterans in Newfoundland, who became Canadian veterans by reason of confederation, could not be eligible for army benevolent fund because there was no contribution made on their behalf.

Mr. CARTER: The other question I wanted to ask is this. You have started out with \$7,000,000.

Mr. CHADDERTON: \$9,200,000.

Mr. CARTER: \$9,200,000; and now you are down to—

Mr. CHADDERTON: \$7,000,000. That is at March 31, 1959. As you know, we have not finished our figures for this annual year.

Mr. CARTER: How much revenue have you received from investments during that period?

Mr. CHADDERTON: Approximately \$3,000,000.

Mr. CARTER: Has that been enough to keep pace with the depreciation?

Mr. CHADDERTON: I would say no. This is another problem we are facing. The cost of doing business in the army benevolent fund is increasing the same as it is in any other organization, or type of business. Whereas it may have taken us \$200 to solve a case seven years ago, today it may take us \$300 to solve it. I might add, in that regard, that our board has requested the government already to review the interest rate being paid on the fund. We feel that would provide a solution to the situation. At the moment, we are receiving 3½ per cent on the first \$5,000,000 on deposit with the government. We leave this fund with the government. We get 3½ per cent on the first \$5,000,000, and 2½ per cent on the balance. As I say, our board has a request before the government at the moment, the effect of which would be that the government should review this. Because of increase in current rates for investments of this type—for money on deposit of this type—we feel our fund should be entitled to a higher interest rate. If we get it, it would take care of the increased cost.

Mr. CARTER: Do you mean that the management of your investment is done by the government itself, and not by your board?

Mr. CHADDERTON: Yes. That would be a business way of stating it.

In other words, rather than taking this \$9,200,000 we started with, and putting it into some type of investment—bonds, common stock, debentures, or something of this nature, it was arranged that the money would be left on deposit with the Receiver General, and the government would, therefore, have the use of this fund until such time as we had expended it. That has been the arrangement from the start.

The original interest rate was 2½ per cent. We had that increased in 1952 to 3½ per cent on the first \$5,000,000.

Mr. MACEWAN: I would like Mr. Chadderton to thank the boys for the purchase of this horse. It was a case I referred to them.

When I was at home recently, another veteran came to me in regard to purchasing a truck. From what you said, I will direct him, perhaps, toward the fund, as well.

Mr. HERRIDGE: How did it work out?

Mr. MACEWAN: The horse?

Mr. HERRIDGE: Yes.

Mr. MACEWAN: Good. It is in the woods now.

Item agreed to.

SOLDIER SETTLEMENT AND VETERANS' LAND ACT

Item 475. Administration of Veterans' Land Act; Soldier Settlement and British Family Settlement	\$ 5,152,000
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The CHAIRMAN: Gentlemen, we have with us this morning, Mr. Pawley, and his staff.

I would like to ask Mr. Pawley if he has a statement to make. If he has one, I would ask him to make it now, as well as to introduce his associates.

Mr. R. W. PAWLEY (*Director, Veterans Land Administration, Department of Veterans Affairs*): Mr. Chairman and gentlemen, this, as you probably know, is my maiden appearance before your committee. In order to help me out with any questions, I would like to introduce my staff at this time.

On my right is Mr. McCracken, my senior administrative assistant; Mr. Strojich, superintendent of the property division; and Mr. Griffith of our construction division.

It has been indicated to me that it would be helpful to the members of the committee if I outlined briefly the developments which have occurred relating to the veterans' land administration since the act was amended in July of last year.

I am assuming that everyone is acquainted with the major amendments to the act made at the last session. The maximum amounts now available are full-time farmers \$20,000, small holders \$10,000, housing part II \$10,000. These amendments were given royal assent on July 8, 1959.

Naturally, the greatest impact has been created by the amendments relating to full-time farmers which did not become fully operative until the necessary regulations were approved on 2 September. While this latter situation retarded the volume of loan applications we expected would develop in 1959-69,—and will thereby considerably increase our workload in this new fiscal year—it also provided additional time in which to engage and train new credit advisors, and to make all fully familiar with the farm appraisal and loan principles which must be followed if the increased public funds now available are to be invested wisely and for the basic purpose intended, i.e., the acquisition or development of economic family-farm units.

I do not wish to burden you with too many figures but I think some indication of the impact of the amendments may be observed from the following:

- (a) Farm credit was approved on behalf of 893 veterans last year in comparison to 1039 the previous year. Although this represented a reduction of 14 per cent over the whole year, there was actually an increase of more than 25 per cent in the number of farm loans approved in the last nine months of 1959-60.
- (b) Financial assistance was approved on behalf of 1837 veterans established last year as small holders and commercial fishermen, an increase of over 10 per cent in comparison to the 1666 established in 1958-59. The increase in the period subsequent to the amendments becoming effective was approximately 20 per cent.
- (c) Our construction operations continued at a fairly high level, with 1436 houses being commenced. Although the number commenced in the full year was down approximately 6 per cent from new house starts in 1958-59, the reduction was due, in the main, to veterans deferring their plans until after the amendments became effective.
- (d) Our total investment last year for the purchase of land, buildings, livestock and farm machinery was approximately 2.5 million dollars greater than in 1958-59. Here again the impact of the amendments

may be observed from the fact that, up to the end of the September accounting month, our expenditures were down more than \$700,000 in comparison to those to the same date in the preceding year.

The foregoing provides a thumb-nail sketch of those developments which took place last year as a result of the amendments made to the Veterans' Land Act. I would now like to outline a number of organization developments which have occurred stemming from the provision contained in the Farm Credit Act which authorizes the farm credit corporation to make arrangements with the Director, Veterans' Land Act, for the utilization of the services of V.L.A. staff in the administration of the Farm Credit Act.

There was a marked increase last year in the volume of loans made by the farm credit corporation, and a further increase is anticipated in 1960. It was evident to the corporation that its increased workload could not be handled expeditiously by its existing limited number of field staff. Because of the training and experience required, the engagement of additional staff did not appear to be a practical solution to the problem. The corporation, therefore, entered into discussions with ourselves to determine what arrangements might be made whereby our experienced and well trained staff of credit advisors could be used to handle loan applications under the Farm Credit Act.

In addition to the increased workload feature applicable to both organizations, our discussions were also conducted in recognition of the fact that the farm loan purposes and provisions of both the Farm Credit Act and the Veterans' Land Act are basically similar. It was evident, accordingly, that the loaning principles and policies of both organizations should be as closely related and consistent—each with the other—as possible.

Having regard to these various factors, and to provide liaison to the greatest degree, the following arrangements have been made:

- (a) The field staffs of both our organizations have been unified, providing a total of approximately 200 credit advisors across the country, each resident within his own field territory. Of this number, 175 now are on the strength of the veterans' land administration and 25 on the strength of the corporation. Regardless of which organization pays their salaries and travel costs, the credit advisors are performing all of the work within their field areas for both organizations and have a double responsibility. It is the desire of both the corporation and ourselves that, as time goes on, these credit advisors will become known in their areas as the government's farm credit representative.
- (b) To enable the credit advisors to cope with the heavy volume of responsible work involved, which includes pre-loan counselling, determination or credit requirements, farm appraisals, etc., we have considered it necessary and advisable to relieve them of most of their work relative to small holding accounts. The bulk of these veterans have been established for quite some time and a large part of the work related to them can be satisfactorily conducted by correspondence with our district offices. To perform those essential items of work which cannot be handled by correspondence, and to assist credit advisors on farm appraisal and interviewing work when required, we have retained on strength approximately 60 settlement officers—the majority of whom are located in or around the various metropolitan areas of the country where small holding settlement has been the heaviest.
- (c) Bearing in mind the dual responsibility of the credit advisors, and the paramount need to ensure consistency of interpretation and application in the field of instruction issued by both organizations,

the majority of our V.L.A. regional and assistant regional supervisors have been made credit supervisors. Each, on an average, is responsible for the direct supervision of six credit advisors. They, like the credit advisors, have a double responsibility and report to the district superintendent, V.L.A., and the branch manager, farm credit corporation, on the respective work of each organization. Their prime responsibilities are to ensure that loan applications to either organization are handled as expeditiously as possible, that loaning policies and instructions of both V.L.A. and the F.C.C. are interpreted correctly and with consistency by all the credit advisors, and to assist the credit advisors on the ground in difficult or doubtful cases. As with the credit advisors, they have been relieved of their direct responsibilities in connection with veterans established, or applying for establishment, as small holders and under Part II of the Act.

There are 36 credit supervisors across the country. Of these, 28 are on the strength of the veterans' land administration and 8—who were formerly on our strength—have transferred to the corporation. It is possible that a further 5 may also transfer—if they desire voluntarily to do so—in order to meet the request of the corporation for greater representation in the field.

The effect of this re-organization will increase the number of focal points to which farmers may go when contemplating farm credit assistance. Existing regional offices will be retained but with a slightly different function and it is still our intention to give personal service to all veterans when required.

The success of this unification of our field staff is dependent on close liaison, good co-operation and fair play between the two organizations. I am confident that the staff of V.L.A. will do everything possible to co-operate fully in providing a service to the present and future farmers of this country.

I regret, Mr. Chairman, that my statement has been more than brief. I trust, however, the members of the committee and yourself will find it helpful in considering the main estimates of this administration for 1960-61.

The CHAIRMAN: Thank you very much. I think this is a very good statement. It has given us a great deal of information. We are open now for questioning.

Mr. SPEAKMAN: Mr. Chairman, I have a couple of questions on what probably might be a contentious matter, but I might just as well get this in now. To begin with I understand that in recent months an order has been issued which will permit soldier settlers to apply for and receive their mineral rights to parcels of land which were required by the soldiers settlement board from the Department of Indian Affairs.

Mr. PAWLEY: That is right.

Mr. SPEAKMAN: I understand the cutoff date is June 30, 1960.

Mr. PAWLEY: That is right.

Mr. SPEAKMAN: I would like to ask, then, how widely has this been publicized?

Mr. PAWLEY: Registered letters have gone out to all the persons concerned. I am not sure of the figure as to the total number, but I know of only two which have been returned as an indication that they have not been received. We feel that the others have been given due warning.

Mr. SPEAKMAN: Are the heirs of these veterans, or the dependants of the deceased veteran, permitted to apply?

Mr. LALONDE: Yes.

Mr. SPEAKMAN: I would like to ask if some consideration possibly could be given to extending the date for these applications?

Mr. LALONDE: I doubt if that is necessary because all those who are involved have been notified, or their heirs have been notified. You are referring to an order in council which has been passed defining the status and the rights of veterans and Indian bands with respect to the mineral rights involved. I do not have the order in council here, but I know there were a number of qualifications mentioned in the order in council. Following the issuance of that order in council, the Veterans Land Act administration made a list of all those who qualified under it and contacted all of them personally, or their estate. So far, out of the total there are only two who have not been reached because they have left the area. I think it is a little difficult to determine whether or not they are still living and whether or not we should deal with their estate.

At the moment we are trying to find the solution in respect of those two cases. If we do find a solution there is no purpose in extending the deadline.

Mr. SPEAKMAN: You say the officials made a list of those who are eligible.

Mr. LALONDE: Yes.

Mr. SPEAKMAN: There are the people who are eligible and on the other hand there are those who are not.

Mr. LALONDE: Very definitely.

Mr. SPEAKMAN: What is the determination of the eligibility?

Mr. LALONDE: I am sorry; I did not expect that question and I did not bring the order in council.

The CHAIRMAN: Is this a specific case?

Mr. SPEAKMAN: No; it is a general case.

Mr. A. D. McCracken (*Soldier Settlement and Veterans' Land Division, Department of Veterans Affairs*): The settlers indebtedness, if there has been a repaid loan, must be retired either by him or his heirs. I believe there may be a few cases which are still active accounts where we do not have a repaid loan situation. With regard to the others who were eligible and who had repaid loans, they must have been repaid either by the settler himself or his heirs.

Mr. SPEAKMAN: In other words the soldier settler account which still is open is not eligible.

Mr. McCracken: Yes; it would be eligible. I am not able to tell, from the information I have here, whether or not there are actually any.

Mr. SPEAKMAN: I know of some. We will not go into that; but you say it must be a paid up account before they are eligible.

Mr. McCracken: No. I would not say that is the case. I am simply relating this. I am speaking on an assumption. I would think the same situation would relate to any contracts that are still in effect as applies to soldier settlement cases which are also in effect.

Mr. SPEAKMAN: The reason I ask these questions is I have a particular interest in this, because I was instrumental in bringing to the exchequer court a bulk of cases in which a supreme court decision was set aside and rights were presented to 17 soldier settlers or their dependents.

The second matter with which I would like to deal is the question as to whether or not the Veterans Land Act administration has ever considered instituting a system of life insured loans on their accounts.

Mr. PAWLEY: Life insurance on the farmers or in respect of small holdings as well?

Mr. SPEAKMAN: The whole thing.

Mr. PAWLEY: We have considered that. We made a survey of the average age of veterans on the farms. It worked out to between 43 and 44 years. The insurance that the corporation was able to arrange on its part III loans covered a farmer with a fair premium right up to the age of 45. When he became 45, then the premium rate increased to such an extent that it was no longer favourable. Coupled with that is the fact that this has to be a compulsory arrangement. After a great deal of consideration we felt, at this stage in our organization, that it would be unwise to attempt to put in compulsory insurance when the premium rate was almost comparable to what they could get almost in straight mortgage insurance.

Mr. SPEAKMAN: Was there any consultation with any of your contract holders to determine how many of them might be interested.

Mr. PAWLEY: There are many veterans who are interested in mortgage insurance of this nature. It is a difficult thing to administer when you have to make it compulsory. We discussed this at considerable length with the farm credit corporation when they were drawing up their plans in respect of insurance relative to their loans. However, because of the combination of the average age of the veteran now and the fact that it had to be compulsory, we felt it would be most difficult to administer, despite the fact that there are some veterans who would like to have it. Further, if an arrangement of this nature could have been made at the initial stages of the Veterans Land Act, I think it would have been excellent.

Mr. SPEAKMAN: I quite agree; but I still think it might be a very excellent idea. We consider the average age of the veteran today, but we also must consider the fact that he has been established in the main for some considerable time and his debt is therefore reduced; but I find now, at least in Alberta, that these average aged veterans are dropping out at a surprising rate. They have worked very hard to establish themselves. They have put a good deal of their income—in fact all of their spare income—into improvement of their establishments and have neglected life insurance. As a result when a veteran dies, or is killed, who is an established man, his wife is left with a part of an estate instead of a full estate. I have in mind, in my constituency, three cases which illustrate very clearly what can happen. One was a veteran established on a V.L.A. farm whose account was kept in perfect standing for 8 years. He had an opportunity to work on an oil rig and was killed. His farm was sold and his wife and child were left with very little of an estate.

The second case was a road accident and the third was the death of a man 48 years of age. I think the persons who are left behind do suffer. The premium might be very high, but I think with such a large bulk you would find insurance companies which perhaps would take it at a low rate.

Mr. PAWLEY: The unfortunate thing is in respect of all these veterans who have been established. If it were compulsory we would be forcing them to take this insurance. Unfortunately, the remaining number of farmers who have yet to be established may be relatively small. That is the only group to whom it could be compulsory. We are doubtful that we could make it effective.

Mr. SPEAKMAN: During the course of this next fall, particularly when the farm credit people are going out during the collection period, could they perhaps obtain the general feeling of the full-time farmers with whom they come in contact as to what the reaction would be to compulsory insurance at this time.

Mr. LALONDE: In principle, I would be opposed to a compulsory feature being imposed on those who have already been settled, even if there is only

one who objects. I do not think we have a moral right to force him to do something which was not included in his original contract. I am sure there are some who object. We are in a very difficult position in respect of that. It is the retroactive effect of it which makes it nearly impossible.

Mr. SPEAKMAN: It is not retroactive. This will insure only the remaining period of their account.

Mr. LALONDE: It is retroactive in the sense that if we wanted to get a scheme of that type into operation we would have of necessity to cover those who have been established up until now. That is what I mean by the retroactive effect.

Mr. SPEAKMAN: I think this is a thing which has been neglected when the act was brought in. I still think it might be wise, because our veterans from World War II are dying now.

Mr. LALONDE: As Mr. Pawley has said, if it had come into operation at the time of the first contract under the Veterans Land Act, in the same way it is now coming into effect for the part III loans under the Farm Credit Act—and that includes a compulsory feature—I would be quite happy about it; but it was not, and now we do not feel there is any way in which we can correct what was not done at that time.

Mr. SPEAKMAN: It is never too late. I would like to see a sampling of opinion on it if that is possible.

Mr. ROGERS: I wonder if the deputy minister would tell us the rate which is established in respect of the farm credit corporation?

Mr. LALONDE: It varies. It is based on age of the farmer and the amount of the mortgage. It is based on the number of years that the man will have to repay his mortgage. As you know I happen to wear another hat as a member of the farm credit corporation, at no extra cost.

We think it is a good scheme, and it may be possible to extend it to other people who will be added to this basic group. But if the corporation had tried to cover those who obtained loans under the farm loan board, no insurance company would have given us a favourable rate.

Mr. ROGERS: The age limit is the difficulty?

Mr. LALONDE: That is correct.

Mr. BEECH: Mr. Chairman, there is one phase of the department's operations of which I think they can be very proud. That is the development under part II of the act.

I am just wondering whether the same interest is being maintained in these developments.

Mr. H. C. GRIFFITH (*Superintendent, Construction Division, Department of Veterans Affairs*): Yes, Mr. Chairman, veterans generally are interested in the part II operations. There is a slight decrease at the moment in applications for assistance under part II; but that is only a temporary arrangement because of the fact National Housing Act loans were curtailed until last month, and quite a number were held in abeyance until the end of the month.

The \$5,000 limit will have some effect, perhaps, on the numbers that we expect this year; but I do not think it will be too low.

Mr. HERRIDGE: Mr. Chairman, I quite appreciate the point of view that Mr. Speakman has put forward; but I agree with the deputy minister: I do not think you can start to tamper with contracts already in effect—and that presents the difficulty.

I want to ask this question. To the deputy minister's knowledge, has any national veterans' association ever made representations urging this policy of insurance?

Mr. LALONDE: I believe—I am speaking from memory now—that there have been resolutions passed at Legion conventions—I do not know exactly when—recommending that consideration be given to a scheme of insurance of this type. That is when the department looked into it and came across this difficulty of the compulsory feature of any scheme that would provide favourable rates.

Mr. FANE: Mr. Chairman, I would like to ask Mr. Pawley if he has had any complaints regarding the working of this new legislation for farm loans for the veterans.

I mean this: supposing a man applies for a loan of just \$5,000, and that is not sufficient to put him on an efficient working basis, according to the ideas of the V.L.A., and he is forced to take out a larger loan in order to make a more efficient set-up; he may not want to do it, but he has to follow the rules and regulations and live up to the contract that he makes? And it is a very difficult contract to make out, it seems.

I was just wondering if you have had occasions like that.

Mr. PAWLEY: Sir, there has been some ironing out necessary in the actual functions, operations and application of this. But there is one thing that I think we must remember, that both our legislation and, as I understand it, the Farm Credit Act, require that this money must be used for the development of an economic farm unit.

Mr. FANE: Yes.

Mr. PAWLEY: It must be used for the development of an economic farm unit. While it may require, let us say, \$10,000 eventually, we will take the case of a farmer who, in certain circumstances, only wants \$5,000.

If this is a method of working towards an economic unit, as far as the Veterans Land Act is concerned, we will never insist that he takes out \$10,000 right at this time. But we will want to know what his program is, and when he will work towards that point; and we hope that he will reach that point in a reasonable length of time, so that he can have this economic unit to provide him with a standard of living and all the income to meet his operating costs, and so on.

With respect to the rather cumbersome documents, I would like to explain that for a short while, on an exploratory basis, there was rather an extensive document. This has been shortened to a great extent. It consists of two pages; and our field staff are helping the farmers fill this out. We think it is important that a farmer should know his own business; he should know where he is going. I do not think there is any easy way of doing that; and by implementing this approach, we are convinced that it will be of benefit to the farmers themselves during the coming years.

Mr. FANE: I think that should work out very well, because it will, as you say, get the farmer knowing where he is going right from the start, and will not let it be a hit-and-miss affair. He will have to come back, and he will find out if he did not have the proper outlook or the proper organization to start with. That should be a good thing.

Mr. HERRIDGE: Mr. Chairman, may the witness give the committee an illustration of how the activities of the Veterans Land Act administration and the farm credit corporation are correlated in administration in the field?

Mr. PAWLEY: You will recall, Mr. Herridge, that I said there were 200 in the field throughout the country, of which 175 credit advisers on V.L.A. staff occupying separate fields; and 25 from the corporation staff occupy separate fields as well.

In order to dovetail this work on the ground, we have attempted, wherever possible, to have a farm credit employee occupying the same office as one of

our own V.L.A. credit advisers. In that way they can consult each other on problems of a mutual nature, and we think that through time they will learn the aspects of both acts fairly well.

In effect, the credit adviser for the corporation may work in one direction, and the Veterans Land Act credit adviser will work in another direction—covering two fields between them.

They are established in offices. The reports, documentation for appraisals, farm plans, forecasts of operations, go directly from the credit adviser's office to the branch manager of the corporation, or to the district superintendent of V.L.A., depending on what case he is working on. The farmers make the contact to the credit adviser right in the field area.

In this way we feel that by making the contact at the field level, when the credit adviser is instructed to carry out this operation, if he feels that he can, within his own judgment; he can almost complete the whole process before he sends it to the district office of V.L.A. or to the branch manager; at which time the loan is processed and then approved.

We have tried to cut down the lines of communication to the least possible, in order to save time.

Mr. HERRIDGE: I have another question, sir. Under the old Canadian farm loan board, I was distinctly under the impression that there was a favourable approach to certain districts, and an unfavourable approach to others, because in many cases applications were turned down without anyone ever visiting the farm. I may say, in this connection, that the present minister of highways in British Columbia, on one occasion referred to the district in which I live as the Ozarks of British Columbia. I trust you are not influenced by that.

Does your staff attempt to have a general knowledge of the value of a certain district for agricultural purposes, and is every farm visited by one of your officials when an application for a loan is made?

Mr. PAWLEY: The farmer will make his initial approach in the office. At that time he will discuss his business and provide certain information. There may be the possibility that the situation is such that a loan is not warranted. Depending upon the volume of farm business of the people who are wanting to get loans, it may be that the farmer's property will not be seen in every case. But I would feel that if there is any doubt at all, it will be seen.

I would not like to say that every farm is seen, because I am only speaking for V.L.A. I know that they will be seen. I cannot speak for the corporation.

Mr. HERRIDGE: I am referring to V.L.A.

Mr. PAWLEY: As far as V.L.A. is concerned, I think you may be assured that every farm will be seen. I have just forgotten the second part of your question.

Mr. HERRIDGE: Does V.L.A. make a sort of survey on the question of land, production, and the income aspects of certain areas as being suitable for settlement?

I ask this question for this purpose: we have had two men go into the Veterans Land Act Administration Office in Kelowna—I think these people have often got a superiority complex, compared with the Kootenays—and they have been advised, they tell me, not to settle in the Kootenays because it is not a suitable area for settlement. A man told me this who is a stock farmer on the prairies. I took it up for him, and they finally sent someone in to look at this very excellent farm on which he wanted to receive a loan, as a full-time farmer, from the board.

He is carrying on a very successful operation at Graham's Landing, on the Arrow lakes. That is the sort of thing I am very interested in.

Mr. PAWLEY: From my angle, we do not make any distinction. If the individual property fits the intent of the act and is in keeping with the circumstances within the province, and we feel he can repay the money, as far as the V.L.A. is concerned, we do not make any distinction.

There is the possibility, however, that because of varying economic circumstances across the country, applications for loans in one part of the country for a specific type of farm may be greater than in another part of the country for the same type of farm, strictly because of economic circumstances. But we are studying the economic circumstances in each province, and collecting data, so that when our appraisals are completed they will reflect the circumstances within the province. In that way I hope that we will not be out of line, either above or below. But, as it exists at the moment, there is no distinction, provided the farm meets the circumstances in connection with the regulations.

Mr. HERRIDGE: Thank you. I asked the question because I was asked to bring it to your attention, and to the attention of your officials, by the west Kootenay and central farmers' institute, various chambers of commerce of the Kootenays, and various Legion branches, who were all quite concerned about a number of incidents brought to their attention and were under the impression that possibly there was some regional favouritism.

Mr. PAWLEY: I would like to say, sir, that I will be out there next month, and I will be glad to discuss that problem with any person you may bring to me.

Mr. HERRIDGE: If you let me know when you are coming, I will see that you have a reception committee.

Mr. CARTER: The outstanding success of veterans land development has been because of this follow-up and the supervision that has been granted to veterans on secured loans.

Is that service available to veterans who have settled on the land without getting loans under the V.L.A.?

Mr. PAWLEY: I think that I have to say, officially, no. I think possibly, unofficially, our field men will not turn down a request for advice if a veteran comes along. But if he is not on our books we do not contact him at all.

Mr. CARTER: Do you have any such field workers in Newfoundland?

Mr. PAWLEY: We have two men in Newfoundland, one at Corner Brook, and one at St. John's.

Mr. CARTER: Are there field staff who travel around, supervise and keep in touch with veterans?

Mr. PAWLEY: Yes. In that connection, if you want more details, Mr. Scott, the district superintendent for the Atlantic, is here. Unfortunately, I do not know Newfoundland too well; but if there are any questions, I am sure he could answer them.

Mr. CARTER: The question I had in mind was with regard to the soldiers settlement at Cormack, which was settled by the provincial government before Newfoundland became part of Canada. That is an area of land set aside for farming, and soldiers were specially selected to settle and become farmers on that land.

I just wondered what liaison there is between your department and that group.

Mr. C. H. SCOTT (*District Superintendent VLA, Department of Veterans Affairs*): I know the Cormack area very well, Mr. Carter, and I personally made a survey of it before we took over. We did not buy any land; that is, we have not established anybody under section 10 of the act. But we did take

them under the then section 35, now section 38, and we qualified only those who were operating their properties as farms.

Some of them have done exceptionally well, and others, not so good. But the two field men that you asked about, one is Harold Guzzwell—I think you know him—who is based at Corner Brook, and who handles the Cormack area. As a matter of fact, he is one of the fellows established there. The one at St. John's is Howard Davis, who came to us from the Department of Agriculture of the provincial government, and who is based in the office at Buckmaster's field at the present time. Does that answer your question?

Mr. CARTER: Thank you very much.

The CHAIRMAN: Item 475. Are there any further questions?

Mr. ROGERS: You were talking about construction, part II. Do you think the raising of the income ceiling is going to stop construction this year?

Mr. GRIFFITH: No, Mr. Chairman, I do not for one minute think it is going to stop construction; but it will have an effect on some of the applicants whose salaries range into the \$8,000, \$9,000 and \$10,000 field. And we still have some of them.

Mr. ROGERS: Do you mean, then, that the smaller income bracket group will take advantage of it?

Mr. GRIFFITH: Yes.

Mr. ROGERS: To make up for the loss because of the higher income brackets being precluded from it?

Mr. GRIFFITH: I believe they will. Actually, last year, up to December, the income of veterans applying, or settling under part II, or obtaining assistance under part II, ranged—those over \$5,000 ranged—about 25 per cent of the total applicants; that was from the inception of part II to the end of December. For the year 1959, this average had climbed to 40 per cent.

But we find that in many cases there are veterans in the low income bracket—that is, ranging up to the \$5,000 figure—who have been turning in, or selling houses that they already occupied, for very modest amounts. They have been able to augment the funds that have been necessary in order to obtain the loan under part II. That is, building a house; it is running into figures of \$11,000 and \$12,000. Land, of course, is always the big problem in any of these cases; and it will remain that way. But we do feel that there will still be a great number of applicants under the \$5,000 income bracket.

Mr. ROGERS: I just wanted to ascertain this, basically because I was a bit disturbed, as I have a number of cases where they were able to get their income up, and that was just what they were waiting for, and then we come along and say: put a ceiling on the income. However, with the priority that is in existence, I think I will get most of these contentious cases handled.

Mr. LALONDE: You realize this is a ceiling which is put on by Central Mortgage and Housing Corporation?

Mr. ROGERS: Yes. Any amendments we have had with veterans legislation have been up, and not downward; and this, in effect, is downward, because of the N.H.A. regulations.

Mr. THOMAS: I would like to ask if the present staff, handling the V.L.A. and the farm corporation loans, are able to keep up with the volume of applications, or is there a backlog?

Mr. PAWLEY: Mr. Thomas, there is a backlog in Alberta, Saskatchewan and western Ontario. I have to admit that we cannot keep up to it. As a matter of fact, we probably would require a staff about three times bigger than it is now, in order to keep up with the work. However, we feel with the slackening

off of seeding and other farm activities that we can cope with the situation. We are advising farmers, when they come in, that it is going to take a little while to process these loans. However, there is a priority where land purchases are involved. They do get a priority and we are trying to work it out to the best of our ability, on that basis.

Mr. LALONDE: This is a temporary situation brought about by the fact that a lot of applications came in, and the corporation and the veterans Land Act administration had to wait for the snow to get off the ground before they could do their appraisals.

I can tell you that the corporation, itself, is following the pattern that will develop during this year, which is the first year of operation, and then the corporation will determine what additions may become necessary for future years, depending on the amount of new applications.

Mr. ROGERS: Is there any chance that a reasonable forecast could be made now as to when the staff in those congested areas will be able to catch up?

Mr. LALONDE: I think we will have to get the experience of one summer before we can forecast or determine accurately what is needed.

Mr. ROGERS: When is this \$50 and \$100 appraisal fee paid? Is it paid when they make application?

Mr. PAWLEY: It is paid at the time the application is submitted.

Mr. ROGERS: So, if the application is not sound, and the applicant is talked out of it, he will not need to pay the \$50 or \$100?

Mr. PAWLEY: That is correct. He does not have to, but, if he insists, he has to pay the \$50 before it is sent to the branch office.

The CHAIRMAN: Are there any more questions on this item?

Item agreed to.

Items 476 and 477 agreed to.

Item 478. Grants to Indian veterans settled on Indian reserves lands under section 39 of the Veterans' Land Act	\$ 60,000
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Mr. SPEAKMAN: Mr. Chairman, may I ask in what connection are these grants made?

Mr. McCracken: To Indian veterans settling on Indian reserves, in the amount of \$2,320.

We are almost a post office. The item is in our estimates. When we get the money, we turn it over to the Indian affairs branch, and they administer the money from there.

Mr. SPEAKMAN: It is the same thing as the old section 35?

Mr. McCracken: Yes.

Mr. SPEAKMAN: On the reserve land?

Mr. McCracken: Yes.

Mr. SPEAKMAN: Are Indians permitted to apply as regular veterans?

Mr. McCracken: Yes.

Mr. SPEAKMAN: And get all the other advantages of the act?

Mr. McCracken: Yes.

Mr. SPEAKMAN: And get all the other advantages of the act?

Mr. McCracken: Yes.

Item agreed to.

Item 479. Reduction of indebtedness to the director of soldier settlement of a settler in respect of a property in his possession, the title of which is held by the director, or such soldier settler loans which are administered by the Indian affairs branch of the Department of Citizenship and Immigration, by an amount which will reduce his indebtedness to an amount in keeping with the productive capacity of the property or his ability to repay his indebtedness under regulations approved by the governor in council \$ 1,000

Mr. ROGERS: I would like to ask one question. How many soldier settlers are there left?

Mr. McCACKEN: As of March 31, 17.

Mr. ROGERS: In all of Canada?

Mr. McCACKEN: That was strictly soldier settlers. We have 450 accounts still left on our books, which tie into the act. However, as of March 31, it was 17.

Item agreed to.

Items 480 to 482, inclusive, agreed to.

Items 496 and 497 agreed to.

Item 457 agreed to.

Mr. HERRIDGE: Mr. Chairman, before you conclude the meeting, may I ask if you have received any further information from the Legion, in regard to their wish to appear before the committee?

The CHAIRMAN: No, none whatever.

Mr. HERRIDGE: If we pass this item that opportunity will have gone by.

An hon. MEMBER: It has been passed.

The CHAIRMAN: That closes the estimates. We now will have to prepare our report on the estimates back to the house. I assume that we will be called together in the near future.

Mr. HERRIDGE: If we were called to meet again to consider amendments to the War Veterans Allowance Act, could any organization that had overlooked coming to date have the opportunity to appear before the committee at that time?

The CHAIRMAN: I would say so, but it would depend upon the wishes of the committee. I imagine we would have to confine them to the amendments. I do not think it is a matter upon which I should rule.

Mr. HERRIDGE: I just wondered if they were aware of the committee terminating its estimates?

The CHAIRMAN: Well, if the question comes up, we will consider it in the steering committee.

Gentlemen, that closes the estimates. We will try to have our report prepared next week. That will be a meeting in camera.

Before we close, I would like to thank Col. Lalonde and all his staff; Mr. Pawley, and his staff, and all those who have been of great assistance to us during our consideration of these estimates.

I would like also to thank all the members of the committee for their good attendance at all our meetings. They have been very prompt and, it seems to me, you have given very careful consideration to these matters. You have brought out a lot of good information, and I think we have had a very successful consideration of the estimates.

I cannot think of anything else at the moment, except one thing. I would like to welcome Mr. Charles Scott from the maritimes. I am a maritimer, and I have known him for a good many years. I am sure there are a lot of other members here who know him. We are very proud of the work he has done on behalf of the veterans down there. I would like to take this opportunity to

say how pleased I am he was able to be here, in order to sit in today and listen to the discussion, especially in connection with the department over which he presides down there.

Mr. HERRIDGE: Mr. Chairman, I want to say, as a sometimes critical member of the opposition parties, how much I appreciate the fair way in which you have chaired this committee.

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HOUSE OF COMMONS

Third Session—Twenty-fourth Parliament
1960

STANDING COMMITTEE
ON
VETERANS AFFAIRS

Chairman: G. W. MONTGOMERY, ESQ.

MINUTES OF PROCEEDINGS AND EVIDENCE
No. 10



Bill C-71, An Act to amend the War Veterans Allowance Act,
1952.

WITNESSES:

Of the Canadian Legion: Messrs. David L. Burgess, Immediate Past Dominion President, and D. M. Thompson, Dominion Secretary; of the Department of Veterans Affairs: Messrs. Lucien Lalonde, Deputy Minister, and J. G. Bowland, Research Adviser; of the War Veterans Allowance Board: Mr. F. J. G. Garneau.

THE QUEEN'S PRINTER AND CONTROLLER OF STATIONERY
OTTAWA, 1960

STANDING COMMITTEE ON VETERANS AFFAIRS

Chairman: G. W. Montgomery, Esq.

Vice-Chairman: D. V. Pugh, Esq.,

and Messrs.

Badanai	Garland	Parizeau
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Beech	Jung	Roberge
Benidickson	Kennedy	Robinson
Broome	Lennard	Rogers
Cardin	Macdonald (<i>Kings</i>)	Speakman
Carter	MacEwan	Stearns
Clancy	MacRae	Stewart
Denis	Matthews	Thomas
Dinsdale	McIntosh	Webster
Fane	McWilliam	Weichel
Forgie	O'Leary	Winkler.
Fortin	Ormiston	

Antoine Chassé
and
Eric H. Jones,
Acting Clerks of the Committee.

ORDER OF REFERENCE

HOUSE OF COMMONS,
TUESDAY, June 7, 1960.

Ordered,—That Bill C-71, An Act to amend the War Veterans Allowance Act, 1952, be referred to the Standing Committee on Veterans Affairs.

Attest

LÉON-J. RAYMOND,
Clerk of the House.

REPORT TO THE HOUSE

MONDAY, June 13, 1960.

The Standing Committee on Veterans Affairs has the honour to present the following as its

THIRD REPORT

Your Committee has considered Bill C-71, An Act to amend the War Veterans Allowance Act, 1952, and has agreed to report it without amendment.

A copy of the Minutes of Proceedings and Evidence relating to the said bill is appended.

Respectfully submitted,

G. W. MONTGOMERY,
Chairman.

MINUTES OF PROCEEDINGS

THURSDAY, June 9, 1960.
(11)

The Standing Committee on Veterans Affairs met at 9.30 o'clock a.m. The Chairman, Mr. G. W. Montgomery, presided.

Members present: Messrs. Batten, Beech, Benidickson, Broome, Carter, Dinsdale, Fane, Herridge, Leonard, Macdonald (*Kings*), Matthews, Montgomery, Ormiston, Parizeau, Pugh, Rogers, Speakman, Stearns, Stewart, Weichel and Winkler.—(21).

In attendance: From the Department of Veterans Affairs: Mr. Lucien Lalonde, Deputy Minister of Veterans Affairs; Mr. F. J. G. Garneau, Chairman, War Veterans Allowance Board. From the Canadian Legion: Messrs. David L. Burgess, Immediate Past Dominion President; H. R. Stewart, Honorary-Treasurer; Dean John Anderson, Past President; D. M. Thompson, Dominion Secretary; M. L. MacFarlane, Director, Service Bureau; H. Hanmer, Service Bureau Officer; D. A. Knight, Service Bureau Officer; John Hundevad, Editor, Legionary. Dr. Maurice Ollivier, Q.C., Parliamentary Counsel.

The Committee had before it for consideration Bill C-71, An Act to amend the War Veterans Allowance Act, 1952.

The Canadian Legion, through Mr. David L. Burgess, immediate Past Dominion President, presented a brief dealing in part with Bill C-71 and the War Veterans Allowance Act. Mr. Burgess read the brief and was afterwards questioned thereon.

During the presentation of the Canadian Legion's brief some questions put to them were answered by Messrs. Lalonde, Garneau and Ollivier.

The Committee having completed the study of the Canadian Legion's brief, it was agreed that at its next sitting it would proceed with a clause by clause study of Bill C-71.

At 11.00 o'clock a.m. the Committee adjourned to meet again at 9.30 o'clock a.m. tomorrow, Friday, June 10th.

Antoine Chassé,
Acting Clerk of the Committee.

FRIDAY, June 10, 1960.
(12)

The Standing Committee on Veterans Affairs met at 9.30 a.m., the Chairman, Mr. G. W. Montgomery, presiding.

Members present: Messrs. Batten, Broome, Dinsdale, Fane, Herridge, Lennard, Matthews, Montgomery, Ormiston, Parizeau, Pugh, Rogers, Speakman, Stearns, Weichel and Winkler.—(16)

In attendance: from the Department of Veterans Affairs: Messrs. Lucien Lalonde, Deputy Minister; T. T. Taylor, Director, Legal Services; C. F. Black, Departmental Secretary; G. S. Way, Chief of Information; and J. G. Bowland,

Research Adviser: of War Veterans Allowance Board: F. J. G. Garneau, Chairman; and M. A. Lavoie, member: of Canadian Legion: Mr. Murray MacFarlane, Director of Bureau; and H. Hanmer, Service Officer; and Dr. P. M. Ollivier, Q.C., Parliamentary Counsel.

The Committee resumed its consideration of Bill C-71, An Act to amend the War Veterans Allowance Act, 1952.

Mr. Lalonde explained the purpose of the Bill and was questioned, as were Messrs. Garneau and Bowland.

Clauses 1 to 5, the Title, and the Preamble were adopted.

The Bill was carried without amendment.

Following debate, in regard to the printing of the proceedings of this day, it was moved by Mr. Speakman, seconded by Mr. Herridge,

That, pursuant to its Order of Reference of February 25, 1960, the Committee print 3,500 copies in English and 500 copies in French of its Minutes of Proceedings and Evidence relating to Bill C-71.

The said motion carried.

The Committee agreed that 2,500 copies of its proceedings in English and a reasonable quantity thereof in French be earmarked for the Canadian Legion.

On motion of Mr. Lennard, seconded by Mr. Winkler,

Resolved,—That the Committee now proceed to draft its Report to the House.

At 10.30 o'clock a.m., the Committee, continuing *in camera*, following brief debate, on motion of Mr. Rogers, seconded by Mr. Weichel,

Resolved,—That the Chairman report Bill C-71 to the House without amendment.

At 10.35 o'clock a.m. the Committee adjourned to the call of the Chair.

Eric H. Jones,
Acting Clerk of the Committee.

EVIDENCE

THURSDAY, June 9, 1960.

9:30 a.m.

The CHAIRMAN: Would you come to order, gentlemen. There is one thing I would like to mention before we start our regular business. A veteran by the name of Mr. Ballard from Vancouver sent in a resolution some time early in March, and he wrote me the other day and wanted to know why I did not present it to the committee.

The steering committee, following the practice, decided at the beginning of the sittings that we could not consider resolutions from individuals, and I have written to several to this effect. Apparently I overlooked Mr. Ballard, because he sent me another letter the other day and another resolution on this piece of paper, here. I am writing to him and telling him what is the practice of the committee. I thought I would let you know, because he apparently thinks we did not treat him properly.

Mr. SPEAKMAN: He is a very prolific writer, Mr. Chairman.

The CHAIRMAN: This morning we have been called together to consider bill C-71, which is an act to amend the War Veterans Allowance Act, 1952. We have with us the members of the Canadian Legion Dominion Command. They wish to present a brief.

I am going to call upon Mr. Burgess, who will present the brief and then answer any questions. I presume you would be happy to do that, Mr. Burgess?

Mr. D. L. BURGESS (*Immediate Past Dominion President, The Canadian Legion*): Yes, Mr. Chairman.

The CHAIRMAN: We will give Mr. Burgess permission to sit down, if he would like to do that. Gentlemen, may I introduce Mr. Burgess. Would you introduce the members that you have with you, Mr. Burgess.

Mr. BURGESS: Thank you very much, Mr. Chairman, and members of the standing parliamentary committee on veterans affairs. My first word is to say that I am representing this morning the president of the Canadian Legion, Mr. Mervyn Woods, M.B.E., Q.C., LL.B., of Saskatoon, who was not able to come owing to a previous engagement.

Those who are with me from the Canadian Legion are, in the first place, past president, Dean John Anderson. Will you stand up, John, in case you are not known by everybody. Then there is the dominion honorary treasurer, Mr. H. R. Stewart; the dominion secretary, Mr. D. M. Thompson; director of the service bureau, Mr. Murray MacFarlane; his assistants, Don Knight; Bert Hamner; and John Hundevad, the editor of *The Legionary*.

That completes the Legion delegation, unless we can include many members of this committee who are also members of the Canadian Legion. It was very heartening to see so many members of this committee present as delegates at our convention at Windsor last week, where everything was so tranquil and serene. They must have found it very pleasant there, after some of the surroundings that they are used to.

Mr. DINSDALE: Speaking on behalf of those members that you mentioned, Mr. Burgess, I must say that we enjoyed the hospitality of the legionnaires very much indeed. It was my first visit to a dominion convention, and I was

impressed by the seriousness with which the delegates attacked the business on hand. It was quite impressive.

Mr. BURGESS: You will have observed that we have many members just like the veteran who wrote to the chairman, who was interested in parliamentary affairs; the gentleman to whom the chairman just referred. We also have members of our organization who submit resolutions in an irregular way at the last minute, and sometimes—as this member was—they are dismayed to find they are not considered and acted upon right away. So it is nothing new to us that you are having those experiences.

The brief which I wish to present this morning is respecting bill C-71, an act to amend the War Veterans Allowance Act. The Canadian Legion is pleased to have this opportunity to appear before the committee in respect of this proposed legislation.

We do regret, however, that there is not also before this committee a bill to amend the Pension Act. We had hoped that the committee would, at some time during this present session of parliament, have this most important legislation before it.

We would like at this time to commend the government in respect of the amendments contained in this bill to amend the War Veterans Allowance Act. We believe that the result of these changes will be of considerable benefit to many recipients.

While we are appreciative of the amendments provided for in this bill, we are presenting for your consideration certain other amendments which have been requested by the delegates attending our 18th dominion biennial convention in Windsor, Ontario, last week.

Those of you who were there will recall that there are a few points on which the members of the Legion think the government might make some changes for the benefit of veterans.

The first item is rates. The present rates of \$70.00 per month for a single recipient and \$120.00 per month for a married recipient have been in effect since 1957. During the intervening years, living standards have continued to rise. Wage and salary earners, including many classes of civil servants, have received substantial increases in income, while those veterans' families dependent on war veterans allowance have struggled to eke out a living at a subsistence level without the comforts which we associate with present day living. War veterans allowance recipients are compelled to pay the same high prices for the goods and services which have become affected by our improved standard of living, yet there has been no change in their income.

In order to ensure that war veterans allowance recipients do not continue to suffer as living costs advance—

The Canadian Legion recommends—that the rate for married recipients be increased to at least \$140.00 per month and that a comparative adjustment be made in the rate of a single recipient.

(2) Ceilings

In our brief of November 12th, 1952 to the Prime Minister and cabinet, and in subsequent briefs, the Canadian Legion requested that the permissive income ceilings be increased to \$1,200.00 per year for the single recipient and \$2,000.00 per year for the married recipient. While adjustments have been made in these ceilings in the intervening years, there remains a substantial margin between the present ceilings of \$1,080.00 per year for a single recipient and \$1,740.00 for the married recipient and the Legion's long standing request. We firmly believed that our request of 1952 was a just one, and we still believe that these suggested ceilings are the very minimum that should be considered.

The veteran on war veterans allowance who served his country so well during the time of its need finds it most difficult to appreciate the government's stand in refusing to make it possible for him to benefit from additional income through disability pension, superannuation and old age security.

The Canadian Legion therefore recommends that the ceiling on total permissible income under the War Veterans Allowance Act be increased to \$1,200 per year for the single recipient and \$2,000 per year for the married recipient.

(3) Widow's Allowance (S.30(11)(b))

This is another matter which the Canadian Legion presented to this committee last year and we believe the situation remains the same in that, under the present provisions of section 30(11)(b), the war veterans allowance board can only grant widow's allowance after the death of the veteran, if he had made application prior to his demise for recognition of the woman, whom he represented as his wife. We believe this to be discriminatory against the surviving partner of a couple who could have qualified for war veterans allowance during the lifetime of the veteran but who elected instead to make their own way, despite, in many cases, physical handicaps and increasing age. Many veterans are not aware that their failure to apply will deprive the surviving partner of the benefits of the Act.

The Canadian Legion Therefore Recommends—that where all other requirements are met, the war veterans allowance board be empowered to declare as eligible widows who would be qualified had the veteran made application during his life-time.

(4) Merchant Navy Personnel

The Canadian Legion believes that those men who served with the merchant navy and the T.124 service on the high seas during World War II should be entitled to the benefits of the War Veterans Allowance Act. We know that many men who had such service are suffering from their wartime experiences, but because of the restrictive nature of the Civilian War Pensions Act they do not get disability pensions, and despite their excellent war service they are now, in many instances, in distressing circumstances. These veterans served their country under very hazardous conditions during the war and we suggest to you it is only right that they and their dependents should be entitled to enjoy the benefits of this legislation. We submit that at this time the arguments previously advanced against providing any benefits, namely, that these men received more pay than members of the armed forces, might be considered balanced out against the rehabilitation benefits that the other veterans received.

The Canadian Legion Therefore Recommends—that the War Veterans Allowance Act be amended to include these veterans of the merchant navy and T.124 service.

(5) Casual Earnings

Under the present legislation all casual earnings of a recipient are classed as exempt income. One category of casual earnings permits recipients who are capable of light, intermittent work to augment their income to the extent of \$50.00 per month or, in some cases, \$75.00 per month. Unfortunately, many recipients of war Veterans allowance are, because of physical or mental disabilities, unable to take advantage of this provision. The veteran may be a 60 per cent pensioner and completely disabled from a non-pensionable condition. Under the present legislation if married he is entitled to receive

only \$25.00 war veterans allowance monthly in addition to his disability pension, whereas there are veterans not so seriously disabled in the more favourable position of being able to supplement their incomes.

The Canadian Legion submits that since it is accepted that recipients are entitled to additional income in excess of the maximum rates and ceilings, the legislation should be amended to provide those recipients, who are unable by reason of ill health to enjoy this advantage, with a similar benefit.

The Canadian Legion Therefore Recommends—that the act be amended to include as “exempt income”, unearned income up to \$50.00 per month for a recipient who is unable because of physical or mental disability to obtain employment.

(6) Interest on Stocks Etc.

The act limits to \$25 per annum the exemption in respect of interest on bank deposits and bonds and dividends on shares in capital stock.

Since a married recipient is presently permitted to have personal assets up to \$2,000 which might well be invested in dominion of Canada savings bonds at an interest rate resulting in income in excess of the present limitation—

The Canadian Legion Recommends—That the act be amended to increase the exemption in respect of interest on bank deposits and bonds and dividends on shares in the capital stock of any company to at least \$50.

(7) Personal Property

The War Veterans Allowance Act from the first has permitted applicants to qualify while in possession of limited personal assets. Since the allowances provided only for minimum living expenditures, it is presumed that the provision in respect of personal property was to cover such eventualities as repairs to a recipient's home, replacement of furniture, medical expenses for dependents, funeral expenses (for widows).

In 1930 the limits were set at \$750 for a single recipient and \$1,500 for a married recipient. In 1948 these amounts were increased by \$250 to \$1,000 for a single recipient and \$1,750 for a married recipient. In 1952 there was a further increase of \$250 in respect of married recipients bringing the allowance to \$2,000. There has been no adjustment whatever during the past eight years and none during the past twelve years in respect of a single recipient. During this time the dollar value has declined considerably, and it is submitted that an increase is warranted. When the purchasing power of today's dollar is compared to that of the 1930 dollar it is obvious that these limitations should be increased.

The Canadian Legion Recommends—That the personal property exemption be increased to \$2,250 for a single recipient and \$4,500 for a married recipient.

(8) World War I—Canadians Who Served in United Kingdom Forces

When the act was amended in 1957 extending eligibility to Canadian veterans who had served in the United Kingdom during World War I for at least 365 days prior to the 12th day of November 1918, no provision was made for those veterans of Canadian domicile who proceeded to the United Kingdom and enlisted with the United Kingdom forces or who were resident in the United Kingdom and enlisted and served with the United Kingdom forces

in England only. These veterans are now in a less favourable position than the veterans who served with the Canadian forces.

The Canadian Legion Recommends—That the act be amended to provide eligibility for those veterans with pre-World War I Canadian domicile who served in the United Kingdom with His Majesty's Forces during World War I for at least 365 days prior to the 12th day of November, 1918.

(9) World War I—Service in United Kingdom

The Canadian Legion has in its files the cases of many Canadian veterans of World War I who volunteered for service anywhere in the world and who, through no fault of their own, served only in England for a period which at the present time does not bring them within the qualifications for an allowance. Some of these veterans could qualify if the time they spent in crossing from Canada to the United Kingdom was considered to be service in the United Kingdom. Others who remained in Canada, much against their own desire, and who were eventually transferred overseas, cannot meet the present requirements of the act. Since no man can control his movements once he has volunteered his service for his country, we submit that consideration should be given to extend the basis of eligibility.

The Canadian Legion Therefore Recommends—That the act be amended to provide for those veterans who volunteered for active service in any of His Majesty's Canadian forces prior to the coming into force of the military service act in June, 1918, and who served in the United Kingdom during World War I prior to the 12th day of November, 1918.

(10) Eligibility by Posthumous Pension Awards

The present legislation enables a widow to qualify in respect of her husband's service if he was "in receipt of a pension", under the provisions of the Pension Act. In cases where an application is before the pension commission and a ruling is not given before death and subsequently entitlement is granted, the widow cannot qualify under the War Veterans Allowance Act.

The Canadian Legion Recommends—That the act be amended to provide that such awards shall be considered to have been in payment prior to the death of the veteran.

(11) Supplementation of Widow's Pension

The act presently provides that a widow, who otherwise qualifies, may, on the death of her recipient husband, receive married rates of allowance for a period of twelve months. The widow of a disability pensioner who qualifies for a widow's pension receives a smaller award, obtaining no benefits under the War Veterans Allowance Act. It is our understanding that the provision in the War Veterans Allowance Act is to allow for a period of adjustment following the death of the husband, and we would suggest that such an adjustment must also be faced by a widow who qualifies for an award under the Pension Act.

The Canadian Legion Recommends—That the act be amended to provide for supplementation to those widows awarded a widow's pension up to the maximum permissive ceiling under the War Veterans Allowance Act.

(12) Continuation of Married Rates

The act provides for continuation of married rates of allowance on the death of a veteran and on the death of a veteran's spouse or child. In the case

of a veteran's death, Section 5(1) requires only that the award has been in payment, "at any time during the last twelve months of his life", while in the case of the death of a spouse or child, the requirement is that the award must have been in payment "at the time of such death".

The Canadian Legion Recommends—That section 5(2) be amended to provide for the payment of married rates in such instances if, in fact, he was in receipt of married rates either at the time of the death of the spouse or child, or at any time within the twelve months preceding such death.

(13) Dependents Medical Expenses

The Canadian Legion has received many representations for assistance in respect of medical expenses incurred by recipients on behalf of dependents. Some of these veterans have been able, under the provisions of the Act, to supplement their incomes through casual earnings but because of the present limitations the veterans and his dependents are faced with considerable hardship. Other recipients could, if the regulations were relaxed, provide for such expenditures through outside sources of income.

The Canadian Legion Therefore Recommends—That the amount of permissible casual earnings be increased by the amount of such medical expenses.

(14) Equity in Real Property—Combination with Personal Property

In view of the ever increasing value of real estate, the equity presently permitted in real property should be increased and a recipient should be permitted to combine his real and personal property within certain limitations.

The Canadian Legion Therefore Recommends—That the regulations be amended to permit a recipient to own a home in which he resides, and in which his equity does not exceed \$10,000 without affecting his award and further that a recipient be permitted to combine his real and personal property so that any excess of equity in his real property may be offset by a proportionate reduction in his personal property, provided that such combination should not exceed the combined permissive ceilings.

Many of these recommendations of course were the outcome of a convention which was just held last week. I think probably this is the first time the Legion has had an opportunity to present to either a committee, or to the government, or to the cabinet recommendations which are so fresh from the mandate of a dominion convention of the Canadian Legion. We appreciate the opportunity to bring them forward at this time, even though this has been done on rather short notice. Possibly if we had had a longer period of time we might have presented these recommendations in a more pleasant manner, or in more pleasant language. But in this case there was just short notice at our disposal. Thank you very much.

The CHAIRMAN: Thank you, very much, Mr. Burgess. I think this is a very good brief. I know you had a very short time to prepare it, because it was after dinner yesterday when I spoke to Don, and called him later to tell him that we had a very difficult time to arrange meetings this week or next week because of so many committees, and so many members away, and the scarcity of clerks.

We welcome with us this morning Mr. Chasse for the first time, who is filling in for Mr. O'Connor.

Mr. DINSDALE: I might say that Mr. Chasse served very well in past sessions, and that he has recently recovered from a very serious illness.

The CHAIRMAN: I presume the members would now wish to ask some questions on the brief. I think we should take up the brief according to sections.

But that part of the brief which has to do with functions outside of the war veterans allowance is something which is beyond us. You might ask questions if you wish, but I do not want to have to curtail you too much, because this is outside our reference.

There will be some questions, I presume, for clarification, and we should try to get them on the record, but I do not think I can entertain any great discussion on the Pension Act at this meeting.

Shall we start with recommendation No. 1 on page 2?

Mr. HERRIDGE: I would like to ask a question. This recommendation is identical with the one adopted by the convention in 1958 with respect to the rate for married recipients being increased to \$140?

Mr. BURGESS: It is a renewal of the recommendation. There are some of these others in the same way, which you will recognize were contained in the last brief, that is, things the government has not yet seen fit to bring down legislation to that effect; but there are some new ones too.

Mr. BENIDICKSON: For the benefit of some of us who were not able to attend the recent convention at Windsor, I wonder if the past president would indicate those items which are completely new. This might be helpful to the committee.

The CHAIRMAN: Would it not be better for him to do so as we go along through the brief?

Mr. BENIDICKSON: Very well.

The CHAIRMAN: Are there any questions on item 1, under rates? If not, let us go on then to item 2, ceilings.

Mr. HERRIDGE: That is a renewal, is it not?

Mr. BURGESS: Yes, that is a renewal.

Mr. HERRIDGE: And what about item 3?

Mr. BURGESS: It is the same thing; it is a renewal.

Mr. HERRIDGE: I certainly hope something can be done about that. I know of several cases where the widow failed to get the allowance because her husband failed to apply for it when he was alive.

Mr. BURGESS: Probably he did not know about the regulations.

Mr. BROOME: Is there no discretionary power invested in the war veterans allowance board in this regard?

The CHAIRMAN: It may or may not be granted.

Mr. BROOME: Yes.

The CHAIRMAN: And you want to know if there is any discretion as to that in the board?

Mr. BROOME: Yes. If the veteran did not apply, then his widow is precluded from the benefits which parliament said the widow should have, or should be entitled to have.

The CHAIRMAN: It is only the veteran who is entitled in the first place.

Mr. BROOME: My point is that the widow, through no fault or her own, just through the omission of the veteran, is being prevented from receiving benefits which evidently the act, and therefore parliament intended that she should have.

Mr. BEECH: She may not have needed them while her husband was alive.

Mr. BENIDICKSON: This would affect those who could have qualified?

The CHAIRMAN: That is right.

Mr. BENIDICKSON: But who elected instead to make their own way; and then, because there was not an application, even though there was qualification, through pride or something of that nature, the application was not made; I agree that this seems to be a very harsh regulation.

Mr. HERRIDGE: In view of Mr. Broome's remarks, there is no question that the act does not provide it at the present time, because the officials in the department have been most sympathetic, and have done the best they could; but at the present time under certain circumstances it is not possible. I would like to give an illustration so that the members of the committee may be aware of circumstances which might arise.

There was a veteran of my company in World War I who, on returning from France, married a London girl; a very fine type of woman. They returned to Canada and they lived at Kaslo, or in the area near Kaslo where Mr. Green comes from, and they were accepted as man and wife. The veteran did not wish to apply for the war veterans allowance because he was an active man and could earn his own living. He was either 63 or 64 years of age when he died, and he had no assets.

His widow applied, and I said there was no question that there is legislation; but after she had sent in her application to the war veterans allowance board—I should have explained that prior to her marriage to this veteran, she had married a soldier in the Imperial army before World War I and he had been reported as killed to her, and she presumed that he was dead. So she married again.

But after she had sent in her application, her sister wrote to her from London and said: "Guess what; Bill turned up yesterday; and instead of being dead, he had apparently just gone off." So this poor woman was denied, under the terms of the act, the war veterans allowance which she would have received had her husband applied for it prior to his death.

The CHAIRMAN: Was he really her husband?

Mr. HERRIDGE: He was married to her in London in good faith. I knew them quite well. I give you this as an illustration—and I could give you a number from my own personal experience. And I know that the dominion secretary is aware of other very similar cases. So for the purpose of their recommendation it is very worth while.

The CHAIRMAN: Have you any idea of how many such widows there may be?

Mr. BURGESS: We do not know the number, but we are running across cases from time to time. I would not think there would be many, or that the amount would be great, but it is surprising where you will find them. You would expect these people to be properly married, but it will turn out to be a bigamous marriage. But in the case which Mr. Herridge mentioned, they were married in good faith.

Mr. HERRIDGE: Oh yes, they were married all in good faith.

Mr. BURGESS: That is right; and then at some time the former husband is found to be alive. We would have no way of determining the number and I doubt if the department would have a way. But I think the number would be relatively small. It would not occur in the case of your acquaintances or mine, of course.

Mr. CARTER: All we are asking for is more discretion for the war veterans allowance board, and that they be empowered.

Mr. BURGESS: That is right.

Mr. CARTER: Have you worked out in your mind what kind of changes would have to be made to do that? I do not know how you would put it in legislative form.

Mr. SPEAKMAN: I think what they are asking for really is an administrative, not a legislative change.

Mr. CARTER: I am trying to figure out just what specific changes in the wording would have to be made in the War Veterans Allowance Act to do that.

The CHAIRMAN: We might ask our parliamentary counsel, Dr. Ollivier, who is with us this morning.

Mr. CARTER: It is obvious that you cannot legislate for every different case that is going to arise, and it is obvious that it is necessary for the war veterans allowance board to have some discretion to judge individual cases on their merits; but just how you can do that with the present act is what bothers me.

Dr. MAURICE OLLIVIER, Q.C. (*Law Clerk and Parliamentary Counsel*): I think it is just a matter of drafting. If you want to give more discretion to the commission that is one thing; but if you want to put it into the act that the people are entitled, then it is another kind of draft, and it would not be complicated at all, one way or the other.

Mr. CARTER: There are two ways of doing it: one is to give the board discretion and another is to make them eligible in a new category.

Mr. HERRIDGE: The Legion recommendation is the sounder one. It is simply to change the words of the qualifying section so that the widow, whose husband could have received it, had he applied before he died, would get it after his death.

Dr. OLLIVIER: I think it is just a matter of adding a new section to the act.

Mr. PUGH: If she was legitimately married to the veteran and domiciled with him, why should she not receive it, regardless of whether or not he made application for it before he died?

Mr. McDONALD (*Kings*): Colonel Garneau is here. Perhaps he might care to say something about it.

Mr. F. J. G. GARNEAU (*Chairman of the War Veterans Allowance Board*): I am really not prepared to give much information on the matter.

The CHAIRMAN: Mr. Carter asked if it would require legislation to give you authority, or is there just some administrative change such as a regulation which would give it to you?

Mr. GARNEAU: In my opinion it would be preferable to have legislation to give us the authority, other than to put it in a sort of general way as discretionary with the board; the board already enjoys a certain amount of discretion in a general sense stemming from the nature of the legislation; but in a case like that where we are dealing with money that is budgeted, I am not sure that we can completely ignore the common law of the land, involving the legality of marriages and so forth, and I think it would be preferable to have either a class which is accepted as the common law, you might say a privileged class, or something which would make it, not necessarily more restricted, but a little clearer and easier to meet from the administrative standpoint, and for the board to handle.

I am offering just my personal opinion. I do not pretend to represent the views of the board, but my own personal reaction is that that is a class of recipients which constitute an exception to the common law and require making legal situations which in themselves are not legal situations from the standpoint of the general law. I am not a lawyer myself, and I am merely expressing my own viewpoint. I could be challenged on some of these views. However, as the act now reads, it requires a veteran to show to the satisfaction of the district

authority that he has lived for seven years with and that he represents the woman as his wife. In other words he must voluntarily request that the woman he is living with be recognized as his wife.

One fact that should not be lost sight of is that this does not apply to the ordinary straight common-law case where both are free to marry. There is always an existing spouse which complicates the situation somewhat. Either the woman has a husband with whom she is not living, or vice versa, or the veteran may have deserted his wife or something of that nature.

I presume that when the legislation was passed this situation was taken into account. It has come to our attention also that some veterans are perfectly satisfied to live in that way but do not care to publicize it too much. The situation may be well known in the neighbourhood where they are living—that is, that they are living, to use the common expression, in a common-law relationship, and it is accepted. If the man does not apply to have the board legalize the situation, so to speak, which is not in itself one within that is legal under ordinary laws of the land, then there is nothing we can do.

I want to state frankly that some veterans are perfectly satisfied to live in a "common law" relationship and not claim the allowance, except at single rates, knowing that their common law partner is very remuneratively employed or has an income of her own, and he thus receives the allowance at the single rate. She enjoys an unlimited income, or perhaps I should say a higher income than would be the case if they had applied for the war veterans allowance. This therefore places a woman of that status, or a veteran of that status in a privileged situation as opposed to the man who is regularly married.

The CHAIRMAN: Thank you very much Mr. Garneau.

Mr. BENIDICKSON: Of course the woman you describe, who is not legally married to the veteran and who has an income of her own, would not qualify for the allowance either?

Mr. GARNEAU: There are not very many of these cases.

Mr. BENIDICKSON: No, I realize that.

Mr. GARNEAU: It could happen. I would not say generally, or but it may be a fact that she is working at the time, and there may be a time when that income has disappeared or she no longer could work, then she would apply as a "widow". These individuals would enjoy a much higher standard of living under the privileged clause than the regularly married couple.

The CHAIRMAN: Does this section only apply to the common law wife?

Mr. GARNEAU: Yes.

The CHAIRMAN: It does not apply to the regular married couple?

Mr. GARNEAU: That is correct. It applies just to the irregular unions.

The CHAIRMAN: Mr. Thompson would like to say a word in this regard.

Mr. PUGH: I would like to ask a follow-up question.

In regard to a situation such as you have just described where the widow is receiving or earning money and in the event that her common law partner is a veteran participant and he dies, would she be eligible, in view of the fact that he was receiving the allowance, to receive this allowance under this section?

Mr. GARNEAU: No, not unless the common law wife had been recognized by her husband and an application made to establish the relationship as such.

Mr. PUGH: Yes, that is fine.

Mr. BROOME: Mr. Chairman, is the next section a new one?

The CHAIRMAN: I think Mr. Thompson would like to say a word in regard to this section three.

Mr. D. M. THOMPSON (*Dominion Secretary, Canadian Legion*): Mr. Chairman, very briefly I would like to make clear our stand in this regard. We are not making this request on behalf of people who want to put something over on the department. We are making this request in regard to the type of case that Mr. Herridge has mentioned where the individuals concerned have lived together. The way the act presently reads, in section (30) (ii) (b): it requires the board to exercise a certain discretion in that the man must have been maintaining and must have publicly represented such woman as his wife. This requirement in itself brings in the element of discretion. A problem has arisen, and I believe the Department of Justice has made a ruling in respect to it, because the wording has recited that this rule cannot be applied in the case where the veteran has died.

Mr. HERRIDGE: Yes.

Mr. THOMPSON: This type of situation we find very seldom occurs.

Mr. BROOME: Is this a new section?

Mr. THOMPSON: No, it is not.

Mr. BENIDICKSON: Are members of the merchant navy qualified for membership in the Canadian Legion?

Mr. THOMPSON: Yes, they are.

Mr. BROOME: Mr. Chairman as I come from a seaport, Vancouver, I am very interested in this section. I know something about what the merchant navy personnel went through and experienced during the war. I have met several of them and have spoken in the House of Commons in this regard. I certainly am in complete agreement with this particular section.

Mr. CARTER: In regard to the T.124 service, that is a rescue service operation, is it?

Mr. THOMPSON: Yes, it is.

Mr. WEICHEL: How many veterans would be represented by this change in regard to the merchant navy?

Mr. BURGESS: I do not know whether the department has made an inquiry to ascertain that, in anticipating that this might be changed. We do not know that.

Mr. ROGERS: Could you tell me what the T.124 service means?

Mr. BURGESS: It includes those men who were serving on rescue service during the war. It was a form or a paper which they signed agreeing to carry out any duties that were assigned to them by the navy in connection with rescue work. It was very dangerous work during the war.

Mr. ROGERS: I see.

Mr. BURGESS: That is very briefly what it refers to. I think perhaps Mr. Thompson could elaborate on what I have said.

The CHAIRMAN: Does it refer to service men?

Mr. BURGESS: They were not in the armed forces, no.

Mr. THOMPSON: As Mr. Burgess has said, this T.124 was a form which these men signed. There were several groups recruited by the British. There was the T.124 group, the T.124X group and I think a T.124T group. Some of these men on this search and rescue operation went in on the beachhead at Italy, pulled assault craft off the beach and performed various other rescue jobs. In some cases they manned naval ships that were used in the invasion and were damaged. They were pulled off and towed away to drydock. These men were assigned as crews to these ships. Their work was extremely dangerous and continuously hazardous. There were also the armed merchant cruisers.

I just forgot the names of the ships now but they were of the type of the Jervis Bay. The men serving under this category, as I say, were not involved in shore work. They served practically all sea time.

Mr. BROOME: This subject was approached, Mr. Chairman, I think several times before, as a matter of fact, and my recollection is that I was informed several years ago that the Canadian Legion did not want the merchant navy recognized in the same class as the enlisted veterans. Is it true that the Canadian Legion would like them listed under the civilian act?

Mr. BURGESS: As I recall the situation the Canadian Legion did not endorse what was submitted by the merchant navy people in all its particulars. We did endorse it to some extent.

Mr. PUGH: That submission was made some two years ago, was it?

Mr. BURGESS: Yes, it was made two years ago.

Mr. BROOME: Has the Canadian Legion amended its viewpoint to a certain extent in this regard?

Mr. BURGESS: No, it has not.

Mr. BENIDICKSON: I take it your viewpoint is the same today as it was then?

Mr. BURGESS: Our viewpoint is exactly the same as it was then. We did not go right across the board with everything that was asked for at that time.

Mr. BENIDICKSON: You did not agree to it all?

Mr. BURGESS: I do not think any convention has endorsed their submission across the board.

Mr. CARTER: How do you describe a merchant navy veteran in regard to section 4? Are you limiting this to those individuals who passed through a manning pool?

Mr. THOMPSON: Mr. Chairman, we refer here to the merchant navy personnel who served on the high seas. We understand that there were some people in the earlier stages before manning pools were established who did not go through manning pools. Subsequently, when manning pools were set up, I believe that most of the individuals served through manning pools. Our only restriction is that this section applies only to those men who served on the high seas.

Mr. CARTER: In other words you are eliminating the eligibility for individuals serving on coastal service?

Mr. THOMPSON: Mr. Chairman, in regard to the distinction between coastal service and service on the high seas, it is our understanding that individuals serving in shore waters would not be eligible in view of the fact that this would not be considered high seas. However, a vessel does not have to be very far out before it is on the high seas.

Mr. BENIDICKSON: It would not have to be very far from Halifax or St. John's.

Mr. CARTER: It is recognized that beyond the three mile limit constitutes the high seas. I would suppose that almost everyone who got on board a boat would get beyond the three mile limit at some time. A ship would be very close to shore if it did not move beyond the three mile limit, so the high seas could be considered as a broad category.

Mr. MACDONALD (Kings): I do not know if it is generally realized but there is very considerable coverage for merchant navy personnel. I wonder if this same coverage applies to the men serving in the T.124 service. Do those individuals receive the same benefits as the merchant navy personnel?

Mr. THOMPSON: Yes, I understand they do receive the same coverage.

Mr. MACDONALD (*Kings*): These individuals are considered in the same standard.

Mr. CARTER: I feel it is a mistake in policy to place the rescue service personnel in another category than the armed services category.

Mr. BENIDICKSON: Mr. Chairman, we are receiving representations from the Canadian Legion with respect to the War Veterans Allowance Act, and while they are very helpful, they apparently do not encompass the recommendations that may come forward from the merchant navy organization itself. In view of the invitation which has been afforded the Canadian Legion in regard to making comments, and inasmuch as we are amending the War Veterans Allowance Act, I think this committee should make the merchant navy organization aware of the fact that we are now examining this bill.

The CHAIRMAN: Mr. Benidickson, this is not a general review. We are not reviewing the act generally in this committee, and unless this committee by vote should authorize your suggestion I personally do not think that it comes within our consideration.

Mr. BROOME: Mr. Chairman, these benefits that the Canadian Legion recognize in respect to the merchant navy constitute the greatest advantage they have and is the largest benefit they could receive. I think the Canadian Legion is doing a good job in this respect and have taken up the cudgels on behalf of the merchant navy. I do not think the legion could do better in this regard than it is now doing.

Mr. BATTEN: What is the advantage with respect to the merchant navy personnel in World War I and World War II?

The CHAIRMAN: Does this section apply to veterans of World War I?

Mr. THOMPSON: I do not believe there is any provision for benefits for them. They certainly do not come under the War Veterans Allowance Act.

Mr. PUGH: Mr. Chairman, Mr. Macdonald mentioned that there were provisions already in existence in regard to the merchant navy. Does anyone here know the benefits they receive which are not evidenced in our act, but perhaps under their own act?

Mr. HERRIDGE: The deputy minister could inform the committee in that regard.

Mr. PUGH: Could we have that information on the record?

The CHAIRMAN: Colonel Lalonde, could you answer that question?

Mr. L. LALONDE (*Deputy Minister of Veterans Affairs*): I placed before the committee last year, Mr. Pugh, a list of the benefits which the merchant navy personnel receive partly under their own act and partly under the Civilian War Pension and Allowances Act. Do you wish me to recite that again?

Mr. BENIDICKSON: This information could be made an appendix.

The CHAIRMAN: That information will appear in the minutes of last year's committee, will it not?

Mr. BENIDICKSON: Perhaps it will, but it could be made an appendix to these proceedings. There are a number of readers of the minutes of committees this year that would not have access to the minutes of committees for last year.

Mr. PUGH: Could we have it read in now? Is this a long document?

Mr. LALONDE: This is a fairly long list, yes.

Mr. PUGH: Could we have it printed in today's report?

Mr. LALONDE: I will be pleased to give it to the reporter.

The CHAIRMAN: Is it satisfactory that this information be printed?

Agreed.

Mr. HERRIDGE: Are we putting this document in as read?

The CHAIRMAN: We are putting it in as read.

Note: The document is as follows:

1. Pensions were granted for death or disability suffered as a result of enemy action or counter-action. Payments are authorized under the Civilian War Pensions and Allowances Act and include payments to widows and dependants of seamen killed by enemy action. The rates are the same as in the Pension Act with the scale of ranks approximating the one used in the Pension Act.
2. If pensioner, treatment is provided for pensionable disability, including Treatment Allowances.
3. If pensioner, the benefits of the Veterans' Land Act are available.
4. Full benefits under the Reinstatement in Civil Employment Act were given.
5. Treatment was provided for non-pensionable disabilities incurred in service at sea for a period of 18 months if commenced within 12 months of termination of service.
6. Merchant seamen received two types of bonus:
 - (a) a War Service Bonus of 10% of total earnings was paid to any seaman who signed an agreement to join a manning pool and serve at sea for a period of two years or for the duration of the war, and
 - (b) a Special Bonus of 10% of all earnings, excluding overtime, was paid for all service in dangerous waters between 10 Sept. 1939 and 1 April 1944.
7. The benefits of the Veterans Insurance Act are available to seamen eligible for the War Service Bonus or the Special Bonus.
8. The Unemployment Insurance Act was made applicable to merchant seamen to whom a War Service Bonus or a Special Bonus was payable.
9. Merchant seamen eligible for a War Service Bonus or a Special Bonus could receive Vocational Training if application was made before 1 Jan. 1951 and training had commenced within 6 months after the approval of the application.
10. Any seaman eligible for the War Service Bonus or the Special Bonus was also eligible for railway fare from port of final discharge in Canada to the permanent residence of the seaman in Canada.
11. Compensation was paid for loss of effects and wages and payment of Special Bonus was continued if seaman was a prisoner held by the enemy.
12. Although the Merchant Seamen Compensation Regulations came into effect only in July 1945, some provincial Workmen's Compensation Acts did cover the seaman for disabilities incurred during service as a result of other than enemy action or counter-action. These Regulations became effective 1 Aug. 1945 and were replaced in 1946 by the Merchant Seamen Compensation Act. In either case there was no retroactive effect to cover cases arising during the war.

Mr. BEECH: Mr. Chairman, do I understand that this application applies to the merchant navy of World War II only? It occurs to me that the personnel of the merchant navy from World War I are the individuals who will be needing the war veterans allowance at this time.

The CHAIRMAN: I took it for granted that all merchant marine personnel were included whether from World War I or World War II.

Mr. BROOME: This report does not specifically include them.

Mr. PUGH: The report refers only to World War II.

Mr. BURGESS: This report links the merchant navy personnel with the T.124 personnel, and would apply. We are bringing forward the recommendation given to us from previous conventions.

Mr. THOMPSON: Our recommendation is that the amendment shall include the veterans of the merchant navy and the T.124 service, which would include veterans from World War I and World War II.

The CHAIRMAN: I understood it as such.

Mr. THOMPSON: Mr. Chairman we have recited details of World War II because they were more familiar to us and fresh in our minds but our recommendation covers both.

Mr. BATTEN: Then the words "—on the High Seas during World War II—" apply to the T.124 service as well?

Mr. BURGESS: The T.124 service existed only in World War II.

Mr. BATTEN: Yes, I am trying to find out if these words "—World War II—" are not to apply to the merchant navy.

Mr. BURGESS: No. The recommendation we are making would correct that impression.

Mr. BATTEN: Thank you.

The CHAIRMAN: Could we now pass on to section 5, Casual Earnings?

Mr. HERRIDGE: Mr. Chairman, for the sake of clarity do we understand that in this recommendation the Canadian Legion do include the merchant navy veterans of the first world war?

Mr. BURGESS: If I may I would be glad to include in line three the words "World War I and World War II".

Mr. STEARNS: Is this a repetition of the previous recommendation?

Mr. BURGESS: This is a new recommendation.

Mr. BENIDICKSON: I think this recommendation relates to circumstances that have developed in regard to high interest rates. If you are receiving a rate of interest today that is over five per cent one can recognize that the \$25 allowance is obviously coming into focus.

Mr. BURGESS: You are dealing with section 6 now.

Mr. BENIDICKSON: Oh, yes, I am on the wrong section

Mr. HERRIDGE: Mr. Chairman, I would like to ask a question and possibly one of the officials can answer it. I am very pleased to see this recommendation made. If this recommendation were adopted by the government it would mean that a veteran at the present time who is in receipt of a partial war veterans allowance, and because he is also in receipt of an old age security allowance, would receive an increase in the war veterans allowance to the extent of this \$50?

Mr. THOMPSON: Section 5, Mr. Chairman, has regard to the man who is unable to enjoy this advantage because of his inability to obtain employment.

Mr. BENIDICKSON: It is suggested that the unearned income that he might receive should be put on the same basis as that possibly for a veteran who is able to earn a supplementary income from casual earnings.

Mr. HERRIDGE: I take it you have in mind, Mr. President that the unearned income should also include the old age security payment?

Mr. THOMPSON: It should include disability pensions, superannuation and things of that sort.

Mr. BURGESS: There are only two or three items listed, but there are many others.

The CHAIRMAN: I would like to ask you if you recognize this as old age pension? The war veterans allowance is simply old age pension?

Mr. BURGESS: It was thought of originally as old age pension. They called it the burnt-out pension or the pre-old age pension, but it has now developed into something different.

Mr. THOMPSON: Mr. Chairman, for the record I should say that we now have the old age security, and this old age security is on a different basis than the old age pension.

The CHAIRMAN: But you do recognize it as old age pension, do you not?

Mr. THOMPSON: Not both old age security and war veterans allowance.

Mr. HERRIDGE: Would it be correct to say the government, in its present policy, recognizes that war veterans allowance is not the same as old age security, because a veteran can be in receipt of old age security and have it supplemented up to the limit of the permissive income by war veterans allowance. The principle is now partly in effect.

The CHAIRMAN: This recognizes both.

Mr. BENIDICKSON: There may be a close relationship between war veterans allowances for a veteran and old age assistance for a civilian, but there certainly is not the same relationship between old age security and war veterans allowances.

The CHAIRMAN: Well, I think that was well covered by Colonel Lapointe back about 1955. He defined it in *Hansard*, and clearly set out that is exactly what war veterans allowance is supposed to be—and that is why they will not pay the two.

Mr. BENIDICKSON: A pre-old age pension, based on a means test—and that is what I call the old age assistance plan.

Mr. BEECH: Mr. Chairman, disabled veterans who are not able to work are entitled to \$25 in addition to the basic rate. Are you asking for \$50 in addition to that?

Mr. BURGESS: No.

The CHAIRMAN: It is to be raised to \$50.

Mr. BURGESS: That is the assistance fund to which Mr. Beech is referring, but the assistance fund does not come into operation where a man has a casual income—and this would mean he would be \$50 better off, instead of \$25.

Mr. CARTER: Mr. Chairman, this recommendation here is put on a monthly basis. How is it actually computed from month to month?

The CHAIRMAN: Are you on casual earnings?

Mr. CARTER: Yes.

The CHAIRMAN: No. 5?

Mr. CARTER: Yes.

The CHAIRMAN: Very well; proceed.

Mr. CARTER: They are permitted to augment their income to the extent of \$50 per month or, in some cases, \$75 per month. Now, there are many veterans who can augment their income by casual earnings in the summer. In my province, they can go lobster fishing and, within a couple of months,

they can perhaps make \$100. However, they do not average that throughout the year. Throughout the year, their income probably would be less than \$500, but, if you have it on a monthly basis, it might be up to \$100, because they can only work three or four months. How would this matter of the monthly basis affect those people? That is the point I am trying to get at.

Mr. THOMPSON: Well, the point Mr. Carter raised has to do with the departmental or the board's policy on how they look at this \$50—whether they look at it as an annual basis of \$50 a month.

The type of thing we are speaking about is something that is regular and, therefore, it would be on a monthly basis. If it is old age security, disability pension or superannuation, this is something which would be coming in every month, and the problem does not arise. However, the point you raised concerning the man who can earn more, is something the departmental officials would have to inform you on.

Mr. CARTER: Is there another basis that would take care of that, so he does not become penalized. He is only doing the same thing, in the same way.

The CHAIRMAN: Perhaps Colonel Garneau could answer your question.

Colonel Garneau, Mr. Carter wants to know if a man, earning \$100 a month for, say two or three months, and the total income of his casual earnings for the year was less than the ceiling, is he affected over the 12-month period?

Mr. GARNEAU: In regard to the \$50 a month exemption, this is attached to what we call part-time regular employment. It is employment, say as a caretaker, crossing guard, or any of those functions, which may bring in \$75, \$60 or \$50 a month. It is strictly calculated on a monthly basis, and not on the basis of, say \$600 a year exemption where he earns \$150 one month and misses a month or two—or that kind of calculation; it is \$50 a month exempted on any earnings arising from what we refer to as casual part-time employment.

Mr. CARTER: Is there any provision that would enable a veteran fisherman in receipt of war veterans allowance to go lobster fishing two or three months of the year, earn a total of \$300 or \$400 during those months, without being penalized?

Mr. GARNEAU: That is his regular occupation. He is employed at that time, and there is a clause which permits a man to take regular employment up to 12 weeks in any veteran allowance year—full time, you might say; and keep the earnings he has made up to 12 weeks. For instance, a chap could be employed during the summer months at the training camp at Shilo, Gagetown, or somewhere like that, as a caretaker or helper, as many older veterans are taken on at these places from June to September. They are paid at prevailing rates; let us say, for the sake of quoting a figure, \$150 or \$200 a month, and they are employed as full-time regular help up to 12 weeks. They can keep that money, and that is exempt.

Mr. CARTER: There is no ceiling on what he can earn in those 12 weeks.

Mr. GARNEAU: Not in those 12 weeks of full-time employment, of limited duration.

Mr. CARTER: But as long as it is just 12 weeks, he can earn what he likes?

Mr. GARNEAU: During those 12 weeks, yes.

Mr. BEECH: Does it not affect the annual amount, though? Does it not affect the amount he earns over the whole year?

Mr. GARNEAU: Yes. If he gets further employment in excess of the 12-week period, it will be counted as income.

Mr. HERRIDGE: Mr. Chairman, may I ask Colonel Garneau a question on this point?

I have been in the habit of employing two or three men in receipt of war veterans allowance say, up to 12 weeks during the summer, but I pay them at the rate of \$50 a month all during the year. Say, if they earned \$600, I gave them \$50 a month throughout the year. Is that legal?

Mr. GARNEAU: Yes.

The CHAIRMAN: Does that answer your question?

Have your questions been answered, Mr. Carter?

Mr. CARTER: Yes.

The CHAIRMAN: We will proceed to No. 6, at page 7—interest on stocks, and so on.

Mr. BENIDICKSON: Mr. Chairman, this was the item on which I was speaking prematurely.

I will give the committee an illustration—and I think they will see this has considerable merit under the new conditions of income that can be available from this form of personal property. I take it, the last time we amended this act was in 1957. Well, after that—or, supposing in 1957, one of our war veterans allowance recipients owned a federal 3 per cent victory loan bond. That bond was bearing interest at 3 per cent. He was asked to convert that in the summer of 1958 to a new bond, which would increase that income, automatically, by 50 per cent, and would bring him in, instead of 3 per cent or \$30 a year, \$45.

I know a veteran who converted, at the request of the government and, instead of receiving \$30 a year interest, he received \$45. Now, he had not actually received the money but somehow or other the inspectors of the veterans allowance board had noted his name as a person who had transferred from one bond to the other—and I am sure that a couple of hundred dollars has been spent chasing up this transaction, with the correspondence the minister and I have had, and a trip from the district office down to investigate the matter; that is, from Winnipeg to Dryden. An amount of approximately \$200 has been spent because the department decided to start taking the difference between the \$30 and the \$45 several months before the interest cheque had actually come into the hands of the veteran—and that is why he raised Cain. It was a point of principle with him. But, it is obvious that even government rates were put up 50 per cent in that period, and you can see all the additional accounting that will develop in consequence, even on a \$1,000 bond.

Mr. PUGH: In connection with this, it would seem to me that the initial amount of \$25 per year on interest is ridiculous; it would seem to me now, with the application linked up with \$50, it is ridiculous.

Mr. BENIDICKSON: It is still inadequate.

Mr. PUGH: I would like to know from someone, Mr. Chairman, if they could let us know the basis of this restriction.

The CHAIRMAN: Would you make a comment on that, Colonel Garneau?

Mr. GARNEAU: Mr. Chairman, as far as I can remember, this was introduced in the legislation during the second world war, when the government was encouraging the purchase of war bonds, and war saving certificates and so forth and, although I was not with the board at that time, I believe that behind the thought was the fact that we exempted the personal property or liquid assets of the veteran to \$800, or \$1,000 at that time, and it was felt that the average return on that money would be about \$25 at $2\frac{1}{2}$ per cent or so.

Mr. BENIDICKSON: You really had in mind bank interest.

Mr. PUGH: If I may interrupt, you see, \$1,000 at $2\frac{1}{2}$ per cent, produces \$25.

Mr. GARNEAU: Right.

Mr. PUGH: A 3 per cent \$1,000 bond produces \$30 and, nowadays, 5 per cent produces \$50 a year. But, personal assets of \$2,000 automatically, in the old days, or during the war, at 2½ per cent or 3 per cent, would produce \$50 there and then. That is why I used the word "ridiculous", and I wanted the basis.

Mr. GARNEAU: I was trying to explain. As far as I can understand, that was the idea—to encourage some veterans who may have had savings or money in their stocking, or something like that—keeping it at home or dormant in the bank, to purchase war saving certificates; and to give them encouragement to do it, they decided that \$25 of income from such investments—any investment; we called it investment income—would be exempt to the amount of \$25 a year. Now, that has not been changed since, and, personally, I do not see any serious objection to that, if the government is willing to amend the legislation to that effect.

Mr. PUGH: I have one further question. Personal assets up to \$2,000 would include cash and bonds; what else might it include?

Mr. BENIDICKSON: Is furniture included, and that sort of thing?

Mr. GARNEAU: No, nor anything like that; it is mostly the savings—or, it could be the value of a small property. A veteran might have a cottage or a little holding of some sort that we value at \$1,000.

The CHAIRMAN: Such as a leasehold?

Mr. GARNEAU: Yes. Well, when you put it that way, we do not make too clear a division as to exactly the readily negotiable assets—money in the bank, stocks, or anything like that; it is the overall value, you might say. We look at it from the standpoint of what might be the worth of the veteran in personal property or liquid assets—money in the bank, and so on.

Mr. PUGH: The chairman mentioned leaseholds. Do you mean by that—

The CHAIRMAN: Which would not be considered real estate.

Mr. PUGH: Do you mean that he was receiving income from it?

The CHAIRMAN: Rent.

Mr. GARNEAU: Rentals. A veteran might own a cottage worth, as I say, about \$1,000 or so.

Mr. PUGH: And he is not living in it?

Mr. GARNEAU: No, not living in it.

Mr. PUGH: Well, that explains it.

Mr. BENIDICKSON: Certainly something is wrong. Supposing you and I, a year ago—back in 1958—bought a \$1,000 3 per cent victory bond. We were offered another \$15. However, if a veteran in receipt of war veterans allowance at that time held a similar bond, he would get subsequently during the year another \$15, but that would be taken off the cheque that he had hitherto been getting at a rate of \$2 or \$3 a month.

Mr. ROGERS: I do not think the \$50 is any encouragement at all.

Mr. BURGESS: It is no better than the \$25, or scarcely better than the \$25 was before.

Mr. PUGH: As there is a personal restriction of \$2,000, it would seem to me that a veteran should be entitled to the receipt of any income that might arise from that \$2,000. Surely you can do that much.

The CHAIRMAN: Shall we pass on to section 8?

I would appreciate it if we could get through with these before the bell rings, in order that the Legion would not have to come back.

This has to do with the Canadians who served in the imperial forces. It is No. 8 at page 9.

Mr. HERRIDGE: Have we finished the other?

The CHAIRMAN: I think we discussed the other pretty well. Are there any further questions?

Mr. HERRIDGE: Just a moment, Mr. Chairman.

This recommendation is a new recommendation, in so far as the totals are raised, in view of the changing circumstances.

Mr. BURGESS: It is.

Mr. ROGERS: This just means that the old veterans are getting more mellow as they are getting along in years.

The CHAIRMAN: Are there any questions on section 8 at page 9?

Mr. HERRIDGE: Excuse me, Mr. Chairman; I presume this recommendation is the result of cases that have come to the attention of the dominion command and the branches, of veterans not being eligible because of present restrictions?

Mr. BURGESS: Yes; and also because of the increased values over the years.

Mr. HERRIDGE: I am referring to section 8.

Mr. BURGESS: Oh, yes.

Mr. BENIDICKSON: That suggestion of including as part of the service the time outside Canada—the period spent on the seas going across—is an interesting one. You say that would bring in some veterans who are outside the gates at the moment?

Mr. BURGESS: Yes.

Mr. BENIDICKSON: Certainly, so far as physical hazard was concerned, it was greater while they were travelling across than it was for the next 365 days.

The CHAIRMAN: We will pass on to section 10. Are there any questions?

Mr. BENIDICKSON: I take it we are passing these matters fairly rapidly in order to release the officials of the Legion, but that we will be discussing them further?

The CHAIRMAN: Yes. Of course, this deals with pensions, and there may be some questions we want to ask. It concerns the eligibility by posthumous pension awards.

Mr. HERRIDGE: In essence, this is a new recommendation?

Mr. BURGESS: So it is, Mr. Herridge.

Mr. ROGERS: Which one are we on?

The CHAIRMAN: No. 10.

Mr. BENIDICKSON: That certainly has merit as well. Why do they not go ahead with the decision?

The CHAIRMAN: What about section 11—supplementation of widows pension?

Mr. HERRIDGE: Mr. Chairman, is this a new recommendation?

Mr. BURGESS: Yes.

The CHAIRMAN: Is there anything under section 12?

Mr. HERRIDGE: Is this a new recommendation?

Mr. BURGESS: Yes, it is.

The CHAIRMAN: Are there any questions on section 13?

Mr. ROGERS: Is that not a new one as well?

Mr. BURGESS: It is new.

The CHAIRMAN: What about 14?

Mr. HERRIDGE: This is a new recommendation.

Mr. BURGESS: It is.

Mr. HERRIDGE: I think it is a very sensible idea, because you can get very unusual circumstances, and this would allow a certain flexibility.

Mr. BURGESS: In so far as property is concerned.

Mr. ROGERS: This just raises it \$2,000, from \$8,000 to \$10,000.

Mr. BURGESS: Yes; and the combination of the house value and permissible personal property.

The CHAIRMAN: Gentlemen, we have to adjourn now. We will have to have another meeting, and it will be at the call of the Chair.

Mr. BROOME: Mr. Chairman, can we not report this bill back?

Mr. HERRIDGE: No, Mr. Chairman.

The CHAIRMAN: We have not time.

Mr. HERRIDGE: There is the administrative side about which we want to have some information.

The CHAIRMAN: Do you think there is any necessity of having the Canadian Legion come back?

Mr. BENIDICKSON: Well, Mr. Chairman, they always have had someone in attendance. I think, perhaps, Mr. Burgess and the others have served us exceedingly well this morning.

The CHAIRMAN: Yes, and I want to thank the members of this committee for getting here on time so that we had a quorum. I am not sure when we can have another meeting.

Mr. HERRIDGE: I just want to correct you there, Mr. Chairman. You might have left a false impression for those who may be reading the minutes of this committee later on. I would like to take this opportunity, Mr. Chairman, to say that this committee, throughout the years, has been composed of members of all parties, and has been most assiduous in its duties, and very rarely has had to wait for more than five minutes to obtain a quorum.

The CHAIRMAN: I heartily agree with you, Mr. Herridge. We have had a wonderful attendance all during this session. I did not mean it to sound the way it did.

Mr. HERRIDGE: I knew you did not.

The CHAIRMAN: I realize that with so many meetings going on from time to time, you have had to leave other committees in order to attend this one—and we appreciate that.

Mr. DINSDALE: I would like to endorse the point which Mr. Herridge made. I was chairman of this committee for two years, and I never had any difficulty obtaining a quorum. It is one of the best committees on which I have sat.

Mr. STEARNS: Mr. Chairman, when are we going to meet again?

The CHAIRMAN: We will adjourn at the call of the Chair.

Mr. STEARNS: Will it be this week or next week?

The CHAIRMAN: Well, may I ask the members if Friday morning would be agreeable, if we could arrange a meeting for then? I would ask those who can be here tomorrow morning to raise their hands.

We will have a meeting tomorrow morning at 9.30.—The committee adjourned.

FRIDAY, June 10, 1960.
9.30 a.m.

The CHAIRMAN: Gentlemen, we have a quorum.

I am very glad to see you all here bright and early this morning. We will proceed with the first clause of Bill C-71.

On Clause 1—*Payment where recipient absent from Canada:*

Mr. PUGH: I take it that this brings it in line with the recent amendment to the Old Age Pensions Act.

The CHAIRMAN: First of all, gentlemen, I would like to ask how you would like to proceed this morning. Would it be your wish that Mr. Garneau make a short statement on the amendments, the reasons for them, and so on?

Mr. BROOME: I think that would be the best method of proceeding, Mr. Chairman.

Mr. HERRIDGE: I think that would be the best method of proceeding, Mr. Chairman, and after that we could ask questions and obtain answers on certain aspects of this. It might be that we will want an explanation on certain points. I think this would be the easiest and best way to do it, and it would be more informative to those who read the proceedings later on.

The CHAIRMAN: Mr. Garneau has just informed me that he would like the deputy minister to make the statement.

Mr. LUCIEN LALONDE (*Deputy Minister of Veterans Affairs*): Mr. Chairman, the basic purpose of the amendment is to retain the similarity that has existed for a number of years now with respect to periods of absences from Canada of recipients of old age security pensions and war veterans allowances.

For the past eight years, I believe, the provisions of both acts dealing with absences from Canada have been the same. The government, having decided to change the provisions of the Old Age Security Act with respect to absences, instructed the department to provide a draft of an amendment to the War Veterans Allowance Act, which would achieve the same results—and this is the purpose of the bill.

The basic section to achieve this is contained in clause 1 of the bill. This will provide an addendum to section 3 of the War Veterans Allowance Act. The present section 3 contains a provision that an allowance is payable to male or female veterans or widows under certain conditions. One of those conditions is that they must be residents of Canada.

By adding a subsection 3 to the present section 3 of the act, we will now have the authority to pay, under the circumstances mentioned in the clause, the war veterans allowance to either veterans or widows outside of Canada.

However, the basic principle is retained—that the allowance is payable to those who reside in Canada; and the new clause simply extends the period of absence that a recipient can enjoy. Originally, that period of absence was three months; then, a few years ago it was extended to six months, and this clause says that it can be extended indefinitely.

You will notice this applies only to section 3 recipients. There is a simple reason for that. Section 3 recipients are those who receive the allowance on a yearly basis. Section 4 recipients receive it on a monthly basis, but have to report to the unemployment insurance office every month because, if there is work available for them, they can work for one, two or three months, and then come back on the allowance, without their earnings being counted against them. However, we thought it was logical to say that if they were outside the country they could not report to the unemployment office. This clause does not create any adverse situation for the section 4 recipient, because if they do wish to absent themselves from Canada the district authority can automatically transfer them to section 3 before they leave, and then they will go on to the yearly allowance, the same as the others.

You will notice also that something has been added; and that is that the recipient at the time he leaves the country must have been a resident in Canada for the 12 months preceding that day. This is because the principle has not been accepted that the allowance would be paid indiscriminately, anywhere in the world, at any time. When we were given instructions to draft something suitable we immediately ran up against the possibility of a veteran having served with the Canadian forces, and having, immediately after the war, moved to the United States, from somewhere around Windsor for instance, to Detroit or places close to the Canadian border. If this qualification of 12 months' residence was not there, he could easily cross over the Canadian border and make application for an allowance, stay here for a week or ten days while the application was processed and, as soon as he got the allowance approved, go back to the States and live there indefinitely. He is not, we thought, a bona fide case of a Canadian recipient wanting to absent himself.

By the same token, a Canadian veteran who decided to stay in England after the war and never came back to Canada does not have the same opportunity to come here for a couple of days and qualify and then go back to England. We wanted to treat all veterans the same way, wherever they may be residing.

It was felt that while this was not a very difficult qualification to fulfil, and that practically all veterans and widows would fulfil it, it is a safeguard against the possibility of some cases slipping by to the detriment of other cases just as meritorious.

The CHAIRMAN: Yes. Mr. Weichel?

Mr. WEICHEL: Mr. Chairman, I would like to ask the deputy minister a question. In the case of a man receiving the war veterans allowance—say he receives it now and his wife passes away and he has a daughter living in Detroit and would like to move and live with her—he would have to stay here for a year before he moved?

Mr. LALONDE: No, if he is a recipient and wants to live in Detroit, and he has been living in Canada for the past year, whether he was a recipient for the whole of that year does not make any difference. As long as he had been a Canadian resident for a year before absenting himself, he is qualified.

Mr. HERRIDGE: Mr. Chairman, I would like to ask the Deputy Minister a question based on an actual case coming within my experience.

A widow of a veteran, who served in the same battalion as I did, lived in Canada for forty years. Her husband died three or four years ago, and shortly afterwards she was eligible for and received the allowance under the War Veterans Allowance Act. Owing to a sister being lonely in England last year, she left for England and is now residing in England. Of course, on leaving Canada she lost her war veterans allowance.

Now, my question is this: In writing to a person like that I want to advise her, possibly, as to how she can best take advantage of the old age security legislation and the War Veterans Allowance Act—what should I tell her? I realize she has, under this legislation, to return to Canada and reside here for 12 months. But what can I advise her with respect to getting the difference between the allowance and the permissible income, or vice versa, made up from old age security? Would the deputy minister mind outlining what should be done in a case like that?

Mr. ORMISTON: Write him a letter.

Mr. LALONDE: Mr. Herridge, your assumption is correct, that she would have to return to Canada and reside here for 12 months before she could absent herself again and retain eligibility for the allowance. But if she returned to Canada she would be eligible to receive the allowance here the moment she set foot in Canada, and would have no waiting period before receiving her allowance while in Canada. After she has resided here for 12 months, if she

wants to go back to England, then, subject to other conditions, the allowance will be continued in payment while she is in England.

There is no change in the application of the income ceiling, whether the allowance is paid in Canada or whether it is paid outside of Canada, under this clause. If she has no other income and she is getting the old age security pension—and I presume she has no children—

Mr. HERRIDGE: None.

Mr. LALONDE: —she would be paid at the single rate: that is, \$90, less the \$55 for old age pension; which means that she would get \$35 under the war veterans allowance.

Mr. HERRIDGE: My second question is this, Mr. Chairman: In a case like that, is it the proper or best procedure for her, when she returns to Canada, to apply for her old age security and after being here 12 months to apply for the balance to be made up by war veterans allowance?

Mr. LALONDE: It does not matter. If she is entitled to old age security, she may as well get it now. This will not affect her status as far as the War Veterans Allowance Act is concerned.

Mr. BROOME: Is there any question about nationality on this? If a person leaves Canada and goes over to the States, suppose they take out American citizenship papers, what happens?

Mr. LALONDE: Under the present draft there is no distinction, because the first test of eligibility is that a man must have been a Canadian veteran or an allied veteran with ten years' residence in Canada before he becomes eligible. There has been no restriction placed on that principle in the bill, so I presume that if a Canadian veteran became a recipient in Canada and absented himself by going to the States, and eventually assumed American citizenship, he would still be entitled to the payment of the war veterans allowance, depending on his other income, of course.

The CHAIRMAN: And residence?

Mr. LALONDE: He would have qualified from the point of view of residence before he left Canada.

Mr. HERRIDGE: Am I correct in advising any persons with respect to this legislation or other charter legislation, who reside in Great Britain—to tell them that they would be best advised to write to Colonel Chambers, the D.V.A. representative at Canada House, in London?

Mr. LALONDE: That is the best way. Mind you, Mr. Chambers does not yet know about this.

Mr. HERRIDGE: But when it comes into effect?

Mr. LALONDE: Within the next month or so I imagine he will be fully briefed.

Mr. PUGH: Mr. Chairman, following along on the point Mr. Herridge brought up in respect of war veterans allowances, if they go ahead they are then taken off the list with respect to drawing it?

Mr. LALONDE: They are not taken off the list.

Mr. F. J. G. GARNEAU (*Chairman, War Veterans Allowance Board*): Payments are suspended.

Mr. LALONDE: At the moment.

Mr. PUGH: In drawing the legislation was the point considered that, if a person goes to England and there has been a suspension of the pension, it could not be on the legislation so that it might say—well, after the passing of this act it would be deemed that the period of time which had elapsed would be abrogated? I could visualize persons over there for 12 months or 16 months, or something like that, having to come back to Canada for a period

of residence of 12 months in order to qualify so that they could leave again. It would seem to be a bit of a hardship. Was that point considered?

Mr. LALONDE: Yes, it was, Mr. Pugh. This is what we were faced with. Under the present legislation, if a war veterans Allowance recipient absents himself from Canada his allowance is suspended. If he does not return by the end of six months from the date of his absence his allowance is cancelled. At that time he has lost all rights under the War Veterans Allowance Act. This is the legislation as it stands today.

Now, the instructions we were given were to extend the rights of the recipients during a longer period of absence. If we were to try and take care of the cases which you mention, through some arbitrary decision, we would be faced with the necessity of legalizing something that was done perhaps the previous year, and which was not legal at that time. We would also be faced with this dilemma: where do we draw the line? In other words, if a person left Canada a year ago, two years ago, or for that matter five years ago, they should all be treated on the same basis. Therefore, if you try to extend the legislation by attempting to give a retroactive effect to the present bill, you would have to go all the way to the principle that the war veterans allowance can be paid anywhere in the world at any time.

It would not be the same as the decision to extend the period of absence. It would have to be a policy decision, to the effect that the war veterans allowance is now payable at any time anywhere in the world.

Mr. PUGH: That sounds logical.

Has the department any figures in regard to those who were in receipt of war veterans allowance who have quit the country and gone to some other country but are still on the rolls, as you have suggested? Are there many in this category?

Mr. LALONDE: We do not have the statistics that you have mentioned. We know that at the moment there are about 170 per month who absent themselves from Canada, but the great majority of them have returned within the six month period.

Mr. PUGH: I am referring to those individuals falling in the category that Mr. Herridge has suggested, who have left the country altogether and have the expectation of ending their days, perhaps, in England. Would you have any figures indicating how many fall into that group?

Mr. LALONDE: Would you know the number Mr. Bowland?

Mr. J. G. BOWLAND (*Research Adviser, Department of Veterans Affairs*): The number of war veterans allowance recipients for all of Canada during the calendar year 1959 whose allowance were suspended, that is to say, they remained away less than the six month period were veterans, 265, and widows, 266.

Mr. LALONDE: You are speaking of those that were suspended?

Mr. BOWLAND: Yes.

Mr. LALONDE: How many were cancelled, do you have that figure?

Mr. BOWLAND: The number who were discontinued during this period because they left Canada were 23 veterans and 9 widows.

Mr. PUGH: That would probably be a fair average for each year, I imagine.

Mr. BOWLAND: It is very hard to determine that. Some veterans and widows may change their plans with the new legislation.

Mr. PUGH: I suppose probably in that category some of the recipients are deceased now?

Mr. LALONDE: Oh, yes, some of them would have died.

Mr. BOWLAND: It is a very hard thing to assess.

Mr. LALONDE: I do not think, Mr. Pugh, there would be a great number involved. It is a matter of principle, in regard to this small number as compared with the great number of veterans living in the United Kingdom and the United States. The number in this category would run to nearly 100,000 veterans of both wars who are living outside Canada.

Mr. ROGERS: Mr. Chairman, I have one point I would like to bring up. It is my understanding that this hardly corresponds with the old age security recipient who has lived 25 years in Canada and he, or she, does not have to come back here.

Mr. LALONDE: That is correct, but there is no means test under the Old Age Security Act, as you know. One of the reasons which was put forward to extend this period of absence under the Old Age Security Act was that Canadian citizens who had lived here for 25 years and had paid taxes have acquired the right to the benefits of that legislation.

Mr. ROGERS: I think that answers the question. I did not think of the means test.

Mr. WEICHEL: I would like to ask how this concerns the Polish allied veteran, for example.

Mr. LALONDE: The Polish allied veterans are covered under clause 3 of the bill.

Mr. WEICHEL: Yes, I see.

The CHAIRMAN: Are there any other questions on clause 1?

Clause 1 agreed to.

The CHAIRMAN: Clause 2; subsection (1) of section 14 of the act, which was repealed and is now a new subsection.

On clause 2—*absence from Canada*:

Mr. LALONDE: This is only an administrative section to effect the transition.

Clause 2 agreed to.

On clause 3.

Mr. HERRIDGE: On that point, Mr. Chairman, how does the department determine with certainty the war service of a person who applies as having served in His Majesty's allies or associated armies of His Majesty's forces, and in particular, in any of His Majesty's allies or powers associated with His Majesty's allies in any war concluded or terminated on or before the 15th day of August, 1945 and who has resided in Canada for a total period of ten years? How do you make certain that the war service is valid?

Mr. GARNEAU: We make certain, Mr. Herridge, as best we can by writing first of all to the veteran who applies giving his particulars of service. On that basis we cause a letter to be written to the war office of the British ministry in England, if it is an Imperial veteran, and obtain his service record. If the individual is a veteran from a force of an allied country, such as France, and Italy in regard to World War I, we ask them to search their archives for the records giving full particulars of the individual's service. We generally receive satisfactory proof that the ex-allied veteran has served in the forces of that country from such a date to such a date, and that he had been wounded or received this decoration or that decoration. We accept that information on the same basis as we would accept the war record of a Canadian veteran.

Mr. HERRIDGE: As in other cases you write to the appropriate ministry of the government concerned?

Mr. GARNEAU: Yes, sir. Sometimes when the exact record cannot be traced we are forced to turn down the application, but if the veteran can satisfy us by documents that may be in his possession pertaining to his service,

for example a bona fide untampered discharge certificate, then we give very serious consideration to the application. There are quite a few awards which have been made at the discretion of the board when they have considered that the evidence was satisfactory, in spite of the actual lack of the official records. In other words we try to use our best judgment.

Mr. LALONDE: Wherever the best kind of evidence is available, Mr. Herridge, we use it, but if it is not available we accept secondary evidence.

Mr. SPEAKMAN: I would like to know what happens in regard to an application of an allied veteran from the Polish forces, keeping in mind the 365 day clause which applies to our own veterans or veterans from the United Kingdom? You do write and receive his service record, but this does not show the length of service as being comparable to that which we require of our own veterans.

Mr. GARNEAU: The basis of our consideration in that case is the section of the act which requires that a veteran must have served on the continent of Europe, Asia or Africa. It is this veteran's good luck, I might say, that he is on the continent of Europe if he served in the French army, the Belgian army or the Italian army. If we are satisfied that he did see active service with the forces of the country concerned we will make an award in the same way as we would in the case of a Canadian veteran, or a British ex-imperial veteran whose chances perhaps would be weak on the strength of his service in the field on the continent of Europe, Asia, Africa or wherever he was called upon to serve.

Mr. SPEAKMAN: But the actual fact is that he would to some extent have an advantage over our own veteran?

Mr. LALONDE: That is true, in a sense.

Mr. SPEAKMAN: I say that because his service might be of very short duration. He may have been wounded and returned to his native land and then emigrated to Canada after the war. When he becomes of age and his circumstances are such that he requires assistance he may apply and thereby gain an advantage over our own veteran.

Mr. GARNEAU: He must have served in a theater of war of the allied armies and not just sat back in Bordeaux, for instance, looking after the military post office there, or something of that sort.

Mr. LALONDE: The 35-day period to which you refer, Mr. Speakman, applies only to the Canadian veteran who served in World War I only, in England.

Mr. SPEAKMAN: Yes, Mr. Chairman, I realize that.

Mr. LALONDE: If a Canadian veteran served in France for one day in World War I he is eligible. If he served in Asia for one day he is also eligible. He is eligible if he served anywhere in a theatre of war.

Now, if an Imperial veteran served in His Majesty's forces in England only, during World War I, he is not eligible.

Mr. GARNEAU: That veteran would be in the same position as a Canadian veteran who served in Canada, his own country, during World War I.

Mr. SPEAKMAN: Going back to the statement which was made in the presentation by the Canadian Legion yesterday particularly with respect to Canadian forces members who volunteered for services and had no choice as to where they would serve, being detailed or posted to a station or a camp in Canada and remaining there because their services were required, and being therefore at a disadvantage to the allied forces veteran who served overseas in his own country. I am referring to the Canadian veteran who, not by choice but by necessity, remained in Canada or in England and is therefore not eligible.

Mr. LALONDE: This is all tied to the principle that up to now has been in force, which limits the eligibility to veterans who served in a theatre of actual war. You will recall that when the amendment was presented three years ago making eligible a Canadian veteran who served for not less than 365 days in the United Kingdom, the reason given was that those Canadians served under conditions, especially in 1915 and 1916, I believe, that were just as appalling as the conditions under which some veterans served in the trenches. This is what the senior officers who served in World War I tell us. There was mention made especially of Salisbury Plain. This was the reason why, although England was not a theatre of war in World War I, the exception was made for a number of Canadians who had to endure conditions reasonably similar to the conditions the veterans who served in the front lines endured later on.

Mr. HERRIDGE: Mr. Chairman, I feel that Mr. Speakman is quite sound in his statement.

Mr. SPEAKMAN: I feel that this being a Canadian act it should benefit Canadians first.

Mr. HERRIDGE: I think Mr. Speakman is morally right in his argument, and is quite sound. We know legally the act is being properly applied.

Mr. LALONDE: I must point out to Mr. Speakman that that is the way the act read originally. It was strictly a Canadian act. As a result of very strong pressure that developed over the years it became more than a Canadian act.

Mr. SPEAKMAN: I am entirely sympathetic to all veterans but I am particularly sympathetic to our own Canadian veterans because I think they are, being Canadians, to be considered first.

Mr. ORMISTON: Mr. Chairman, I have a question in mind which is somewhat supplementary to the question asked by Mr. Speakman and the answer given by Mr. Garneau. He referred to the Polish, Belgian, Norwegian and Italian veterans. Surely there should be some distinction made between Italian veterans and Belgian and Polish veterans. Is it the insertion of the words—"powers associated with His Majesty"—which makes the Italian veteran eligible?

Mr. LALONDE: This does not apply to Italian veterans of World War II.

Mr. GARNEAU: Naturally the act eliminates the eligibility of an Italian veteran who served in the Italian forces during World War II. The Italian veterans I referred to are those who were allies during World War I.

Mr. HERRIDGE: I have one further question, Mr. Chairman. Could the committee members be assured that no veteran in Canada is receiving the war veterans allowance who served in the German army up to the armistice and later joined another allied army?

Mr. GARNEAU: I frankly do not recall any case, that we have knowledge of, of that kind. You have reference to the veteran who served in the German army during World War I?

Mr. HERRIDGE: I am referring to the veteran who served in that army during World War II.

Mr. GARNEAU: That situation is not possible. During World War I they were our enemies, and were our enemies as well during World War II; so there is no margin open for consideration for a German who served in the forces of the Reich during World War I or with Hitler's forces during World War II.

Mr. BROOME: I have one question in regard to this subject. I noticed that the wording has been changed. Previously it read:—"with His Majesty in any war concluded—", and it now contains the added words "—or terminated".

Mr. LALONDE: That is inserted there, Mr. Broome because officially World War II is not concluded: it is terminated.

Mr. BROOME: World War II was terminated and World War I was concluded; I see. You have had to use both terms as a result of that difference?

Mr. LALONDE: We have had to use both terms.

Clause 3 agreed to.

On Clause 4—*Transitional*:

Mr. LALONDE: This clause is inserted simply to permit a recipient who is now absent but within the six month period, to continue to be absent but retain his eligibility for a period of longer absence.

Clause 4 agreed to.

Clause 5 agreed to.

Title agreed to.

Preamble agreed to.

Bill carried without amendment.

The CHAIRMAN: Just before we adjourn there is one matter I would like to bring forward. Before I do so I would like to thank the members of this committee for their excellent attendance during the meetings of the committee, and for the diligent way they have dealt with that which has come before us.

Yesterday afternoon I received a call from Mr. Thompson of the Canadian Legion. He informs me that it has always been customary when they have presented a brief to have extra copies printed so that they may be sent to each branch of the Canadian Legion. He would like to have 2,500 copies printed. I have a resolution here, that pursuant to our order of reference of February 25, 1960, the committee print 3,200 copies in English and 200 copies in French of its minutes of proceedings and evidence relating to bill C-71. This has nothing to do with the 750 copies and 200 copies which were ordered on the estimates. This will be a new order. In view of the fact that we will then be printing 2,500 copies and 750 copies we could perhaps do without the extra 50 which would bring the total to 3,200 copies.

Mr. SPEAKMAN: I would so move, Mr. Chairman.

Mr. HERRIDGE: I would second the motion, Mr. Chairman.

Mr. BROOME: Before you put the question, Mr. Chairman, I would suggest that once the type has been set up the cost of extra copies is infinitesimal. I am wondering if we should not maintain the number of copies printed at 750 and 250. After all, we are only concerned with 100 copies.

The CHAIRMAN: I am waiting to hear from the committee as to how many copies they want to print.

Mr. BROOME: I would not like to see the regular distribution decreased. I think that whatever the committee wants should be in excess of our regular quantity, and I move accordingly.

The CHAIRMAN: You are moving for 3,250 copies?

Mr. BROOME: That is right, 3,250 copies in English and 250 copies in French.

Mr. LENNARD: After all, the Canadian Legion is not the only veterans' organization in Canada. Some of the other organizations deserve some consideration.

The CHAIRMAN: They have been getting copies.

Mr. LENNARD: Then they should continue to get them.

The CHAIRMAN: What is the feeling of the committee in this matter? I suggested 3,250 copies.

Mr. LENNARD: Does that include what is regularly printed?

The CHAIRMAN: Yes.

Mr. LENNARD: Then we do not have enough.

The CHAIRMAN: What would you suggest, then?

Mr. LENNARD: I suggest 3,500 copies.

Mr. SPEAKMAN: Additional?

The CHAIRMAN: And 200 in French. Very well, the motion will read that there be 3,500 copies printed in English, and 200 copies printed in French. The motion is moved by Mr. Speakman and seconded by Mr. Herridge.

Mr. BROOME: How many Legion branches are there?

The CHAIRMAN: There are over 2,000.

Mr. BROOME: If the Legion wants these copies to distribute to their branches, then they do not want them just in English, because they may have forgotten to ask for copies in French.

The CHAIRMAN: Mr. Thompson said yesterday that the French copies did not come out for quite a long time, and he was only asking for English copies. Do you wish to increase that number?

Mr. BROOME: I would add 500 copies in French.

Mr. ROGERS: Is everybody happy?

The CHAIRMAN: Very well. Is it agreed that we add 500 copies printed in French? Is it agreed that we print 3,500 copies in English and 500 copies in French, and that 2,500 copies in English are to be earmarked for the Canadian Legion and a reasonable number in French?

Agreed.

Mr. LENNARD: I move we adjourn.

Mr. CHAIRMAN: I would like to have the opinion of the committee now as to whether we should make our report, or do you think that there might be other organizations who would feel that they should appear? We have already approved the bill without amendment.

Mr. WINKLER: Have you received any further recommendations?

The CHAIRMAN: No.

Mr. WINKLER: Then in that case I move that we go on to consider our report.

The CHAIRMAN: All the other organizations who appeared before us covered the subject of the war veterans allowance in their briefs.

Mr. LENNARD: I move that we proceed to make our report.

Mr. WINKLER: I second the motion.

The CHAIRMAN: It has been moved by Mr. Lennard and seconded by Mr. Winkler that we now proceed to make our report. Is it agreed?

Agreed.

Since we still have a few minutes remaining, perhaps we might go into closed session now to discuss any suggestions there may be for our report.

Mr. BROOME: Before we go into a closed meeting I think that the committee should pass a vote of thanks to the chairman for the really wonderful job he has done.

The CHAIRMAN: Thank you. The committee will immediately go into camera to consider suggestions for the report to the House. Thank you.

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